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Author:

U.S. Dept. of the Treasury

Title:

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section 210 of the...

Place:

Washington, D.C.

Date:

1932

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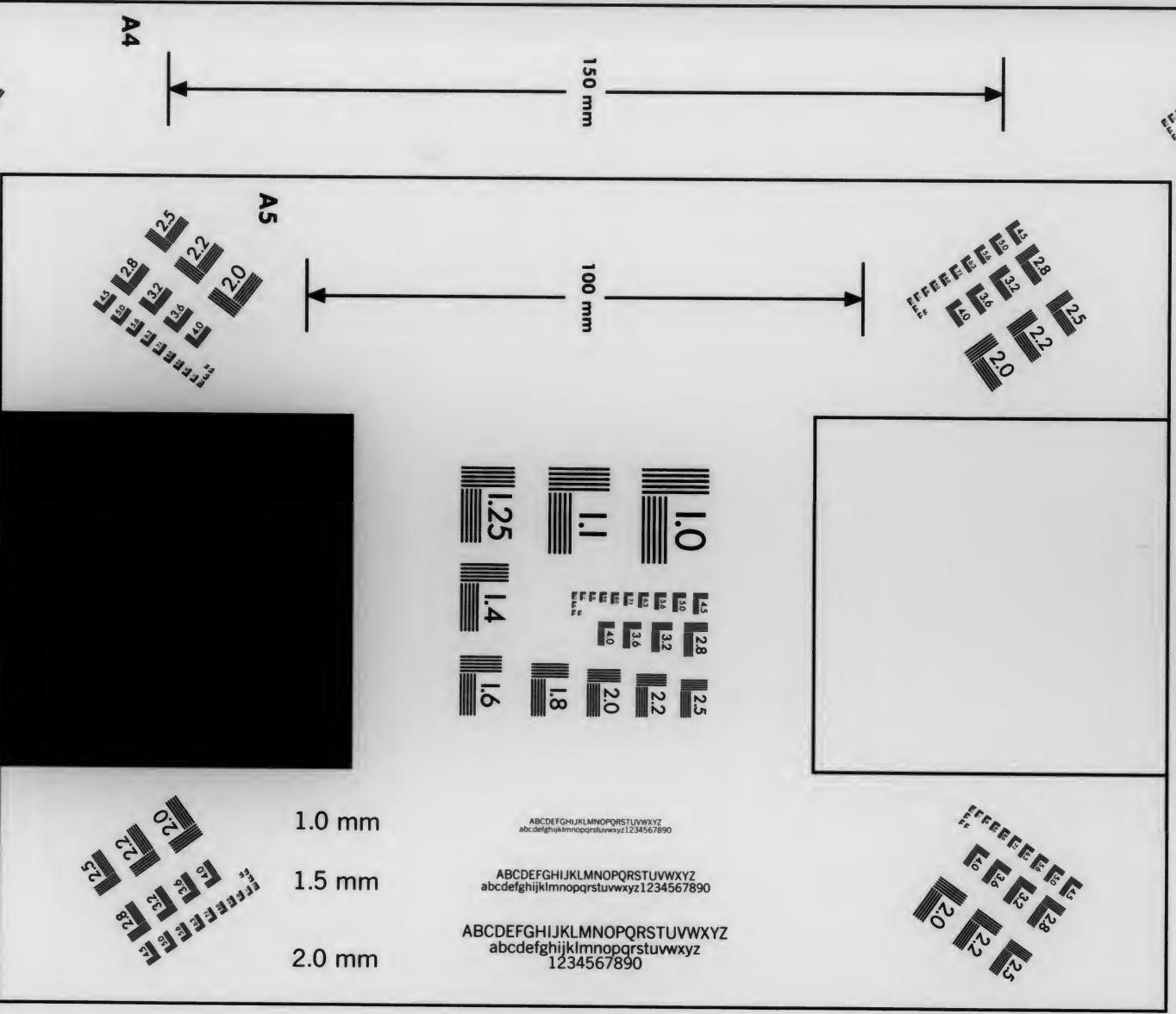
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LOANS MADE UNDER SECTION 210 OF
THE TRANSPORTATION ACT OF 1920

LETTER

FROM

THE SECRETARY OF THE TREASURY

TRANSMITTING

IN RESPONSE TO SENATE RESOLUTION No. 494 (71ST
CONGRESS) A REPORT RESPECTING THE INDEBT-
EDNESS OF EACH RAILROAD DEBTOR UPON ANY
NOTES OR OTHER CLAIMS ON ACCOUNT OF LOANS
MADE UNDER THE PROVISIONS OF SECTION 210 OF
THE TRANSPORTATION ACT OF 1920



DECEMBER 8, 1931.—Referred to the Committee on Interstate Commerce
and ordered to be printed

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1932

Business

IN THE SENATE OF THE UNITED STATES,
February 17 (calendar day, March 3), 1931.

RESOLUTION

Resolved, That the Secretary of the Treasury be, and he is hereby, requested to report to the Senate on or before December 1, 1931, respecting the indebtedness of each railroad debtor upon any notes or other claims on account of loans made under the provisions of section 210 of the transportation act of 1920 as follows:

- First. Financial condition of railroad;
- Second. Class of security held by the Government;
- Third. Prospects of payment;
- Fourth. What efforts are being made to collect; and
- Fifth. Recommendations as to disposition of debt.

II

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LOANS MADE UNDER SECTION 210 OF THE TRANSPORTATION
ACT OF 1920

TREASURY DEPARTMENT,
Washington, November 30, 1931.

The PRESIDENT UNITED STATES SENATE.

SIR: In response to Senate Resolution No. 494 of March 3, 1931, requesting the Secretary of the Treasury to report to the Senate on or before December 1, 1931, certain information respecting the indebtedness of each railroad debtor on any notes or other claims on account of loans made under the provisions of section 210 of the transportation act, 1920, as amended, I have the honor to submit the following report:

At the termination of Federal control of transportation systems the country had just emerged from the World War, the state of the money market and the financial condition of the carriers did not permit them to borrow sufficient funds in the market to meet their immediate requirements and to carry them through the reconstruction period. As a result of this situation, it became necessary for the Government to assist the carriers by providing loans from the United States Treasury. The authority to make these loans was contained in section 210 of the transportation act, 1920, as amended.

Section 210 provided that, in order to enable the railroads subject to the interstate commerce act properly to serve the public during the transition period immediately following the termination of Federal control, such carriers might make application within two years after the termination of Federal control to the Interstate Commerce Commission for a loan from the United States to meet its maturing indebtedness or to provide itself with equipment or other additions and betterments. The application in each case, as required by the act, set forth the amount of the loan requested and the use to which it was to be applied, the present and prospective ability of the applicant to repay the loan and meet the requirements of the obligation in that regard, the character and value of the security offered, and the extent to which the public convenience and necessity would be served by the granting of such a loan. If the commission, after a hearing and investigation of the facts submitted in connection with the application, found that the making in whole or in part of the proposed loan by the United States, for one or more of the purposes set out in the act, was necessary to enable the applicant carrier properly to meet the transportation needs of the public; that the prospective earning power of the applicant and the character and value of the security offered were such as to furnish a reasonable assurance of the applicant's ability to repay the loan within the time fixed and to meet its other obligations in connection with the loan, the commission was authorized to certify to the Secretary of the Treasury its findings of such facts; the amount of the loan to be made; the time, not exceeding 15 years from the making thereof, within which it was to be repaid; the terms and

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conditions of the loans, including the security to be given for repayment; and that the applicant, in the opinion of the commission, was unable to provide itself with funds necessary for these purposes from other sources.

The act authorized the Secretary of the Treasury, upon receipt of certificates from the Interstate Commerce Commission, to make loans to the carriers under the terms and conditions and in the amounts set out in such certificates, from a revolving fund of \$300,000,000 provided by the act.

The primary purpose of the loans authorized by section 210 of the transportation act was to enable the carriers to provide themselves with the necessary funds to meet their maturing indebtedness, to rehabilitate their equipment, and to provide for additions and betterments at a time when private sources were not available except at prohibitive rates of interest.

For this purpose there was loaned to the carriers the sum of \$290,800,667, for which the Government acquired notes of the carriers receiving loans, payable at various dates not exceeding 15 years from the date the loans were made, with interest at 6 per cent per annum, payable semiannually. The loans were secured by such collateral as at the time of the making thereof seemed sufficient, in the opinion of the Interstate Commerce Commission, to give reasonable assurance of repayment at maturity. The market value of the collateral security at the time of its pledge was generally about 25 per cent, and in some cases 35 per cent, in excess of the amount of the loan.

The rate of interest was fixed by law at 6 per cent per annum, payable semiannually. Since this rate was higher than most of the carriers would be required to pay under normal conditions, it was desirable for them to refinance their obligations as soon as economic conditions permitted in order to save interest costs. As we passed out of the reconstruction period the earnings of the carriers improved, the money market became easier, and, consequently, some of the carriers began to refinance their obligations through their bankers at lower rates of interest, thus effecting a substantial saving in interest costs and at the same time repaying substantial amounts of their obligations to the Government. Out of a total of \$290,800,667 loaned to the carriers, there has been repaid the sum of \$256,801,806.73, or about 88 per cent of the obligations acquired, leaving a balance still due on this account of \$33,998,860.27. In addition the carriers have paid \$88,434,109.03 on account of interest.

The Government will not lose any substantial sum on account of these loans, especially if there is taken into account the differential between the average rate at which the Government has borrowed funds during the past 12 years and the rate charged the carriers on such loans. For this reason I believe that the Government should proceed to liquidate on the best terms obtainable under the circumstances the obligations which it now holds of those carriers in financial difficulties, at the same time enabling the carriers to adjust their financial condition so that they may adequately meet the transportation needs of the localities served.

Many of the carriers are now in serious financial difficulties. Some are already in receivership; a few possibly are hopelessly insolvent. While the value of the collateral at the time the loans were made seemed amply sufficient to secure their repayment, subsequent

events, even in the case of some railroads not in receivership, have resulted in such a depreciation of the collateral that, if it were sold at this time, the proceeds would not be sufficient to discharge in full the Government's claim.

All railroads have been affected by the depression, and those serving sections of the country suffering from the drought have felt the present strain even more severely. During the past few years competition from busses, trucks, and automobiles has materially affected the carriers' prospective earning power to an extent which was not apparent at the time the loans were made. It is possible that some of the roads may have to be abandoned in part on this account. On the other hand, some of the carriers with proper assistance may be able to work out of their difficulties, though this will not be possible unless the Government is in a position to cooperate with the other creditors.

Senate Resolution No. 494 requests information concerning (1) the financial condition of each carrier, (2) the class of security held by the Government, (3) the prospects of payment, (4) what efforts are being made to collect, and (5) a recommendation as to the disposition of the debt. Under each carrier I shall attempt to furnish the information desired, except as to recommendations concerning the disposition of the debt, which I should like to make general in character. In view of the present financial condition of some of the carriers and the uncertainty of their earning power as a result of the strenuous competition with which they are now faced, it is impossible to give any reasonably accurate or definite estimate concerning the prospects of payment.

I believe that there should be given to the executive branch of the Government broad and general powers amply sufficient to deal with the obligations of railroads now held by the United States, and I have so recommended in my annual reports covering the fiscal years 1930 and 1931. I have recommended that this authority be given to the Secretary of the Treasury but that any action taken by him must be with the concurrence of the Interstate Commerce Commission. In recommending this legislation, it is not the plan of the Treasury Department to render aid to those carriers which are able to pay their indebtedness to the Government. A few of the carriers are in a financial position to pay off their indebtedness, and there is no reason why they should not be required to meet in full the terms of their obligations. I have recommended in my annual reports, and repeat those recommendations here, that the Secretary of the Treasury be authorized, with the concurrence of the Interstate Commerce Commission, to compromise, sell, or exchange the obligations, to cooperate in any appropriate reorganization plan, to reduce the rate of interest to not below 3½ per cent per annum, as may appear to be in the best interests of the Government, and to permit the maintenance of the carrier as a public convenience and necessity. The department will in due course submit a draft of legislation to Congress covering these recommendations.

There is attached hereto as Exhibit 1 a statement showing the amount of loans made to each carrier under section 210, the principal amount outstanding as of October 1, 1931, the amount of principal repayments, and the total amount of interest collected on account of such loans. There is attached as Exhibit 2 a statement showing the names of the carriers indebted to the Government as of October 1,

1931, on account of loans made under section 210, the principal amount of such indebtedness, the amount of accrued and unpaid interest, and the face amount of the collateral held to secure the repayment of that indebtedness.

There is set out below detailed information concerning loans made under section 210 to carriers still indebted to the Government on this account.

ALABAMA, TENNESSEE & NORTHERN RAILROAD CO.

The loan originally made to this carrier amounted to \$339,000, and was for the purpose of enabling the carrier to secure the necessary equipment with which to meet the transportation needs of the public served by it. As a result of the loan the Government acquired 30 promissory notes of the carrier in the aggregate amount of the loan, all dated December 1, 1921, and maturing serially beginning with the year 1922, on June 1 and December 1 in each year up to December 1, 1933. The carrier has repaid 18 of the notes, aggregating \$247,500 principal amount, leaving \$151,500 still unpaid, and has paid the interest as it became due.

This carrier's obligations to the Government are secured by \$77,000 face amount of prior lien mortgage 30-year 6 per cent gold bonds of the carrier due 1948, which are a first lien on 220 miles of railroad, first lien on 1¼ miles of Mobile Harbor front, and a second lien on certain equipment; and further secured by \$148,800 face amount of equipment trust notes of the carrier with a lien on 300 cars purchased from the proceeds of the loan secured from the Government.

In the early part of this year the carrier advised that, due to the depressed business conditions which have affected both its local and competitive traffic, it found it necessary to request an extension of the time to June 1, 1934, within which the principal installments are to be paid. The carrier stated that it believed it would be able to meet the interest charges as they fall due and by June, 1934, felt confident that it could meet the obligations out of increased earnings. After consulting with the Interstate Commerce Commission, the carrier was advised that it would be allowed up to June 1, 1934, to meet its obligations. However, under date of November 25, 1931, the carrier advised the Treasury that because of the depressed business conditions it will not be able to meet its interest payment falling due on December 1, 1931, and requested that the payment of such interest be deferred for six months. The department is now giving consideration to this request.

There are attached for the years ended December 31, 1926, to 1930, and eight months of 1931, as Exhibit 3, a comparative general balance sheet of the carrier; as Exhibit 4, a comparative income account; and as Exhibit 5, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

ARANSAS HARBOR TERMINAL RAILWAY

The loan originally made to this carrier amounted to \$50,000, and was for the purpose of providing one-third of the cost of a program of reconstruction, including the replacement of an embankment and a trestle destroyed by a hurricane. The loan is evidenced by a promissory note of the carrier dated August 1, 1921, and due August

1, 1926, in the face amount of \$50,000. The carrier was not in a position to pay the note upon maturity in 1926, but it continued to pay the interest up to August 1, 1931. It defaulted in the payment of interest in the amount of \$1,335.37 due August 1, 1931. Upon request of this department the Comptroller General has been withholding payments due the carrier from the United States on account of freight, transportation, mail pay, etc., which has resulted in a reduction of the principal of the note to \$44,304.67. The withholding of these payments due the carrier will be continued and the amount thereof applied to the total indebtedness. The amount of such payments will not, however, provide sufficient funds to pay the interest.

The carrier's obligation to the Government is secured by \$50,000 face amount of the carrier's prior lien mortgage 5-year 6 per cent gold notes, due 1926, which are a first lien on entire property of the carrier.

The carrier has made application to the Interstate Commerce Commission for an extension of the time within which to pay the loan, but the approval of such application could not possibly afford any substantial relief in view of the present financial condition of the carrier. It will be noted from its comparative balance sheet attached hereto that the carrier's liabilities in 1926 exceeded its assets by over \$500,000 and that by 1930 this excess had increased to almost \$800,000. Its income accounts for the years 1926 to 1930 and eight months of 1931 show substantial deficits for each of those periods.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 6, a comparative general balance sheet of the carrier; as Exhibit 7, a comparative income account; and as Exhibit 8, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

CHARLES CITY WESTERN RAILWAY CO.

The loan originally made to this carrier amounted to \$140,000, and was for the purpose of enabling the carrier to meet in part its maturing indebtedness. The loan is evidenced by the promissory note of the carrier dated July 1, 1921, due by extension July 1, 1936, in the principal amount of \$140,000. The carrier has made all payments due on account of interest, but was not in a position to meet the payment of the principal of the note when it matured on July 1, 1931.

The carrier reports that, due to the reduction in earnings for 1931, which would probably extend well in 1932, it had no present basis of credit which would enable it to obtain funds for the payment of its obligation due the Government. General business conditions and the agricultural depression have caused a considerable shrinkage in its traffic. However, the carrier stated that as soon as business conditions improve and the purchasing power of agricultural products returns to a more normal condition it believes it will be able to increase its earnings so as to meet the Government loan in 1936. In spite of the conditions mentioned, the carrier has improved its financial position each year during the past five. It accordingly made application to the Interstate Commerce Commission for an

extension of time within which to pay the principal of the note to July 1, 1936, the full 15-year limit authorized by the act, which was approved by the commission.

The carrier's obligation to the Government is secured by \$210,000 face amount of first mortgage 10-year 6 per cent gold bonds of the carrier due July 1, 1941, which are a first lien on the entire property of the carrier.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 9, a comparative general balance sheet of the carrier; as Exhibit 10, a comparative income account, and as Exhibit 11, a statement of railway operating revenue and expenses, which show the financial condition of the carrier.

CHICAGO & WESTERN INDIANA RAILROAD CO.

The loan originally made to this carrier amounted to \$8,000,000, and was for the purpose of enabling the carrier to meet in part its maturing indebtedness. The loan is evidenced by a promissory note of the carrier, dated October 7, 1920, and maturing October 7, 1935. The first and refunding mortgage, under which the bonds held as collateral were issued, provides for a sinking fund. From time to time the carrier has purchased at par for account of the sinking fund, the bonds held by the Secretary of the Treasury as collateral and the latter has applied the proceeds as payments on account of the principal of the note held by the Government. The Treasury has received through these operations the sum of \$1,831,000, thus reducing the principal of the note to \$6,169,000. The carrier has also promptly met the interest payments when due.

The carrier owns an extensive system of terminals, belt lines, passenger and freight depots, realty, etc., in and around the city of Chicago. The carrier seems in good financial condition, having improved its position over the past five years. It is not unreasonable to assume, in view of the fact that the carrier's volume of traffic and earnings have not materially changed during the life of the loan, that this carrier will be in a position to meet its obligation to the Government upon maturity.

The carrier's obligation to the Government is secured by \$7,835,000 face amount of first and refunding mortgage 5½ per cent bonds of the carrier due September 1, 1962. These bonds have a lien on certain property of the carrier and in addition certain proprietary companies owning capital stock of the carrier are jointly and severally obligated under lease to pay directly to the trustee, interest on entire amount of these bonds outstanding and sinking fund installments to retire the issue by maturity.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 12, a comparative general balance sheet of the carrier; as Exhibit 13, a comparative income account; and as Exhibit 14, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

DES MOINES & CENTRAL IOWA RAILROAD CO.

The loan to this carrier amounted to \$633,500, and was for the purpose of enabling the carrier to meet its maturing indebtedness. As a result of the loan the Government acquired the carrier's promissory

sory note dated April 1, 1921, and maturing April 1, 1931, in the principal amount of \$633,500. The note matured April 1, 1931, but the carrier was not in a position to meet it; neither has it been able to pay the interest accrued since October 1, 1926. The interest accrued and unpaid now amounts to \$181,402, or a total indebtedness of \$814,902.

This carrier operates about 100 miles of track, including sidings, out of Des Moines, Iowa. A large part of its revenue has been derived from passenger traffic. It advises, however, that during the past few years it has lost considerable revenue from this source, due to the operation of busses and privately owned automobiles, and in addition it has suffered a heavy loss in freight traffic due to the general business depression. The carrier has reduced its operating expenses, but such reductions have not kept pace with constantly declining revenues. The Government has withheld payments due the carrier from the United States on account of freight, transportation, and mail handled by the carrier, and applied the amount thereof to its indebtedness to the Government, but the amount so withheld is not sufficient even to discharge the interest. A reference to the balance sheet and income account will show the financial condition of the carrier, which needs no comment.

This carrier's obligation to the Government is secured by \$795,000 face amount of first-mortgage 10-year 7½ per cent gold bonds of the carrier dated April 1, 1921, and matured April 1, 1931. The April 1, 1927, and subsequent coupons are in default as well as the principal of the bonds which matured April 1, 1931.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 15, a comparative general balance sheet of the carrier; as Exhibit 16, a comparative income account; and as Exhibit 17, a statement of railway operating revenues and expenses.

FERNWOOD, COLUMBIA & GULF RAILROAD CO.

The loan originally made to this carrier amounted to \$33,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness and to make certain additions and betterments. The loan is evidenced by the carrier's promissory note dated May 12, 1921, matured May 12, 1931, in the face amount of \$33,000. The carrier has paid the interest as it became due and has made certain payments on account of principal, reducing the note to \$18,000, but was not in a position to meet the balance due on the note at maturity. The carrier advises, however, that there are new developments along its tracks which should in the near future produce additional revenue. It has made application to the Interstate Commerce Commission for an extension of the time within which to pay the note to May 12, 1936. It believes that it can pay the sum of \$2,000 per annum on the principal of the note, together with interest, and meet the balance due at maturity. No action has yet been taken by the commission.

This carrier's obligation to the Government is secured by \$40,000 face amount of first-mortgage 25-year 6 per cent bonds of the carrier due in 1936, which are a first lien on the entire property. The carrier's obligation is further secured by the indorsement and uncondi-

tional guaranty, as to both principal and interest, of Enocks and Wortman (Inc.), and A. F. Wortman, of Fernwood, Miss.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 18, a comparative general balance sheet; as Exhibit 19, a comparative income account; and as Exhibit 20, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

FORT DODGE, DES MOINES & SOUTHERN RAILROAD

The loan originally made to this carrier amounted to \$200,000, and was for the purpose of enabling the carrier to make additions and betterments to existing equipment. As a result of the loan the Government acquired the promissory note of the carrier dated April 7, 1921, matured April 7, 1931, in the principal amount of \$200,000. The carrier continued to pay the interest as it became due up to October 1, 1929, at which time it defaulted in the payment of the interest due that date. On February 18, 1930, it went into receivership. The Treasury, through the Attorney General of the United States, has filed with the receiver its claim for the full amount due from the carrier on account of principal and interest.

The Attorney General through the United States attorney is watching the receivership proceedings with a view to protecting the interests of the United States. The receiver recently advised that the carrier was hopelessly insolvent and that he saw no prospects that the carrier would be able to pay its creditors.

This carrier's obligation is secured by \$400,000 face amount of first mortgage 5 per cent bonds of the carrier due in 1938, which are a first lien on 189 miles of standard gauge electrified road and on a power plant furnishing electricity to 20 cities and towns in the State of Iowa.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 21, a comparative general balance sheet of the carrier; as Exhibit 22, a comparative income account; and as Exhibit 23, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

GAINESVILLE & NORTHWESTERN RAILROAD CO.

The loan originally made to this carrier amounted to \$75,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness. As a result of the loan the Government acquired the promissory note of the carrier, dated January 3, 1922, and matured January 3, 1927. In addition to being in default on the principal of the note, the carrier has paid no interest on this obligation since January 15, 1923, and is now indebted on this account in the amount of \$38,102.53, making a total indebtedness of \$113,102.53.

The carrier went into receivership on December 8, 1923, and since that date it has been operated by a receiver appointed by the court having jurisdiction. The Government through the Attorney General of the United States has filed its claim with the receivers and the Attorney General, through the United States district attorney, is watching the receivership proceedings with a view to taking such steps as are necessary to protect the interests of the Government.

Under date of September 21, 1931, the receivers applied to the Interstate Commerce Commission for authority to abandon the operation of the road. In the commission's investigation of the matter, it found that steam locomotive passenger service was discontinued during 1925 due to decline in business and that rail motor busses had been substituted therefor. Daily freight service was discontinued during 1926. Freight trains were operated only three or four times a week as was necessary to handle the reduced volume of freight. Passenger traffic was entirely discontinued during March, 1931, as bus competition and private automobiles had taken practically all the business and it was necessary to use the rail motor busses to handle local merchandise in order to provide the necessary service.

The receivers did not contend that the line was not a public convenience and necessity and they recognized that its abandonment would impose hardships on many citizens served by it. They recommended its abandonment because they have been unsuccessful in their efforts to develop new sources of revenues; that due to conditions beyond their control they have lost some of the larger sources of revenue; and that as a consequence the earnings are considerably less than the current expenses. There seems to be no other course of action that could have been taken. It was testified at the hearing by the receivers that the cash was exhausted; that no funds were available to operate the trains, meet pay rolls, or conduct other phases of operation; that the force of employees has been reduced in an effort to reduce expenses; that the receivers are now and have been serving without pay; and that replacements are badly needed for the road to continue further operations. Consequently under date of October 19, 1931, the Interstate Commerce Commission authorized the receivers to abandon this road as to interstate and foreign commerce.

The carrier's obligation to the Government is secured by \$75,000 face amount of first mortgage 6 per cent bonds of the carrier due 1927. The note given as evidence of the loan is further secured by the unrestricted indorsement and guaranty of the Piedmont Corporation. The receivers recently advised that in their opinion the estimated salvage value of the road, based on prices available at this time, is not in excess of \$43,000. In view of the report of the receivers to the Interstate Commerce Commission and their statement to the effect that the salvage value of the carrier does not exceed \$43,000 and the authority of the commission to abandon the property, it does not appear that the bonds held by the Government as collateral are of much value. The only other security available is the indorsement and guaranty of the Piedmont Corporation. Sufficient information is not available at this time to enable the department to make a statement as to the value of this indorsement and guaranty. The court has allowed claims for costs of the receivership proceedings, taxes, receivers' certificates, and other prior charges, aggregating \$214,000.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 24, a comparative general balance sheet of the carrier; as Exhibit 25, a comparative income account; and as Exhibit 26, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

GEORGIA & FLORIDA RAILROAD

The loan originally made to the receivers of the Georgia & Florida Railway amounted to \$792,000, and was for the purpose of enabling the receivers to meet certain maturing indebtedness of the carrier and to make certain additions and betterments to the property. As a result of the loan, the Government acquired three promissory notes of the receivers, all dated January 31, 1921, and due by extension January 31, 1936, in the amount of \$792,000. This carrier was reorganized in 1926, and a new corporation called the Georgia & Florida Railroad assumed control of the property. The new corporation indorsed and unconditionally guaranteed the payment of the notes of the receivers at the time the payment of such notes was extended from January 31, 1927, to January 31, 1936. All interest payments due on these notes up to July 31, 1929, have been made. No payments on account of interest have been made since that date, and on October 19, 1929, the new company, principally because of disastrous floods in the fall of 1929, went into receivership. The accrued and unpaid interest now amounts to \$95,040, making a total indebtedness due the Government of \$887,040.

The Government has filed through the Attorney General of the United States its claim with the receivers, and the Attorney General through the United States district attorney is watching the receivership proceedings with a view to taking such steps as are necessary to protect the interests of the Government.

The receivers recently advised that the outlook for this carrier is not the brightest, unless there can be such an adjustment of the traffic originating in and flowing through this territory as will give the Georgia & Florida Railroad a share thereof sufficient to produce a fair return on the capital invested in the property.

The notes held by the Government are secured by \$1,100,000 face amount of first mortgage 20-year 6 per cent gold bonds, series A, of the Georgia & Florida Railroad (reorganized company), dated November 1, 1926, maturing November 1, 1946, which are a first lien on approximately 460 miles of main and branch lines of that company.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 27, a comparative general balance sheet of the carrier and the receivers; as Exhibit 28, a comparative income account; and as Exhibit 29, a statement of railway operating revenues and expenses, which show the financial condition of this railroad.

GREENE COUNTY RAILROAD CO.

The loan originally made to this carrier amounted to \$60,000, and was made for the purpose of enabling the carrier to meet its maturing indebtedness. As a result of the loan, the Government acquired 10 promissory notes of the carrier dated July 15, 1921, maturing serially, beginning with the year 1922, on July 15, in each year, up to July 15, 1932. The carrier has paid nine of the notes, aggregating \$54,000, together with interest as it became due. The remaining note in the amount of \$6,000 will be due and payable on July 15, 1932.

The carrier's obligation remaining unpaid is secured by \$31,000 face amount of first mortgage 6 per cent gold bonds of the carrier due 1950, which are a first lien on the entire property of the company.

The obligation is further secured by \$12,000 par value of the capital stock of the Georgia Car & Locomotive Co.

There are attached for the years ended December 31, 1926, to 1930, and eight months of 1931, as Exhibit 30, a comparative balance sheet of the carrier; as Exhibit 31, a comparative income account; and as Exhibit 32, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

MINNEAPOLIS & ST. LOUIS RAILWAY CO.

The loan originally made to this carrier amounted to \$1,382,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness. As evidence of the loan the Government acquired the carrier's promissory note dated April 1, 1921, and maturing April 1, 1931, in the amount of \$1,382,000. The note is now in default and the carrier has paid no interest since April 1, 1923. Accrued and unpaid interest now amounts to \$667,469.73, making a total indebtedness of \$2,049,469.73.

The carrier went into receivership on July 26, 1923, and the various creditors have not agreed as yet upon any reorganization plan. The comparative balance sheet of the receivers attached hereto shows that a deficit, amounting to about \$9,229,000 on December 31, 1926, has steadily increased until on August 31, 1931, it amounted to more than \$17,398,000.

The Government, through the Attorney General of the United States, has filed its claim with the receiver and the Attorney General through the United States district attorney is watching the receivership proceedings with a view to taking such steps as may be necessary to protect the interests of the Government.

The carrier's obligation to the Government is secured by \$2,377,000 face amount of refunding and extension mortgage 5 per cent gold bonds of the carrier due 1962, which are secured by liens on certain disconnected portions of the carrier's property.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 33, a comparative general balance sheet of the receivers; as Exhibit 34, a comparative income account; and as Exhibit 35, a statement of the railway operating revenues and expenses, which show the financial condition of the railroad.

MISSOURI & NORTH ARKANSAS RAILWAY CO.

The loan originally made to this carrier amounted to \$3,500,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness and for additions and betterments. The loan is evidenced by the carrier's promissory note dated April 20, 1922, and maturing April 20, 1937. The carrier defaulted in the interest payment due October 1, 1923, and went into receivership on May 5, 1927. The accrued and unpaid interest now in default amounts to \$1,507,090.71 which makes a total indebtedness of \$5,007,090.71.

Prior to receivership, the Comptroller General of the United States was withholding all payments due the carrier from the United States on account of freight, transportation, and mail, and applying the amount thereof to the accrued and unpaid interest due from the carrier. Some time after receivership proceedings were instituted, the receiver called at the department and explained the financial

position of the carrier. He explained that the territory served by the Missouri & North Arkansas Railway Co. was suffering from many hardships. He recalled that about two years before the territory was flooded and the carrier had lost a substantial amount of property as a result of washouts of bridges and trackage. The following year the drought had seriously affected the country with a consequent failure of numerous banks. As a result, the carrier had suffered substantial losses in revenues. He stated, however, that he had done everything possible to keep the physical property of the carrier in good condition, so that when business conditions improved the carrier would be in a position to handle the expected increased volume of business. The deficit of the carrier amounted in 1926 to over \$800,000, and on August 31, 1931, it had increased to more than \$2,000,000. The receiver stated that if the Government did not release the amount due him from the Government for services rendered he would not be in a position to meet the next pay rolls. Based upon this request, the Comptroller General, upon the recommendation of this department, authorized that the amounts due the receiver be paid to him.

The Government through the Attorney General of the United States has filed its claim with the receiver, and the Attorney General through the United States district attorney is watching the receivership proceedings with a view to taking such steps as may be necessary to protect the interests of the Government.

The carrier's obligation to the Government is secured by \$5,000,000 face amount first mortgage 6 per cent bonds of the carrier due 1937, which are a first lien on the entire property of the carrier, subject to \$639,000 face amount of receiver's certificates.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 36, a comparative general balance sheet of the receiver; as Exhibit 37, a comparative income account; and as Exhibit 38, a statement of railway operating revenues and expenses, which show the financial condition of this railroad.

NATIONAL RAILWAY SERVICE CORPORATION

This corporation was organized in July, 1920, by the leading insurance companies and other members of the National Association of Owners of Railroad Securities, for the purchase of equipment to be supplied to the railroads. It has been operated without profit and the entire capital stock was subscribed by the National Association of Owners of Railroad Securities. The corporation issued two series of equipment trust certificates, series 1 (conditional sale basis), and series A (lease basis). Both series were divided into prior and deferred lien certificates. Prior lien 7 per cent certificates were taken by life insurance companies and investment institutions to the extent of 60 per cent of the amount of each series. Deferred lien 6 per cent certificates to the extent of 40 per cent of the amount of each series, were issued to secure Government loans to the service corporation for account of particular carriers on terms and conditions approved by the Interstate Commerce Commission. The carrier concerned leased the equipment from the service corporation on a basis of 30 semiannual rental payments, the equipment to be acquired by such carrier when all payments have been made.

Loans aggregating \$6,179,000 were made to the service corporation on series 1 certificates, all of which were paid before maturity. Loans aggregating \$5,258,730 were made on series A certificates, of which \$3,059,212.47 has been paid, leaving a balance due of \$2,199,517.53. Of this balance, \$230,252.12 is due from the service corporation for a loan made for account of the Minneapolis & St. Louis Railroad Co. and \$1,969,265.41 for a loan for account of the Wheeling & Lake Erie Railway Co.

Minneapolis & St. Louis Railroad Co.—The loan originally made to the service corporation for account of this carrier amounted to \$368,190, and was evidenced by a promissory note of the National Railway Service Corporation for that amount, dated July 1, 1921, maturing June 1, 1936. In addition to being secured by a deferred lien 6 per cent equipment trust certificate of the National Railway Service Corporation for the amount due, it is further secured by the unrestricted indorsement and guaranty of the Minneapolis & St. Louis Railroad Co. Payments have, from time to time, been made on account, reducing the principal amount of the note to \$230,252.12, and the interest has regularly been paid.

Wheeling & Lake Erie Railway Co.—The loan made to the service corporation for account of this carrier amounted to \$3,304,000 and was evidenced by two promissory notes of the National Railway Service Corporation for that amount, dated July 11, 1921, and maturing June 1, 1936. In addition to being secured by deferred lien 6 per cent equipment trust certificates of the service corporation for the amount due, the notes are further secured by the unrestricted indorsement and guaranty of the Wheeling & Lake Erie Railway Co. and by the pledge of \$177,000 face amount 5 per cent refunding mortgage gold bonds, series B, and \$1,460,000 6 per cent refunding mortgage gold bonds, series C, of that carrier.

These loans appear to be well secured. The payments due on account of both principal and interest are being promptly made by the service corporation and indications are that they will be liquidated in full by maturity.

In view of the nature of these loans and the character of the corporation responsible for the service of the loans, it is not deemed necessary to furnish financial statements for the National Railway Service Corporation.

SALT LAKE & UTAH RAILROAD CO.

The original loans made to this carrier aggregated \$935,400, and were for the purpose of enabling the carrier to meet its maturing indebtedness and to make additions and betterments to its property. As a result of the loans, the Government acquired promissory notes of the carrier dated July 27, 1920, in the aggregate amount of \$235,400, and July 7, 1921, in the amount of \$700,000, and maturing from 1921 to 1936. The sum of \$62,800 has been paid on account of the loan in the amount of \$235,400, leaving a principal amount due on account of both loans of \$872,600. The accrued and unpaid interest amounts to \$366,436.80, making a total indebtedness of \$1,239,036.80.

The carrier paid all interest on the two loans up to July 1, 1924, and went into receivership on July 24, 1925. The Government, through the Attorney General of the United States, has filed its claim with the receiver of the carrier for the amount of the indebtedness due, and

the Attorney General, through the United States district attorney, is watching the receivership proceedings for the purpose of taking such steps as may be necessary to protect the interests of the Government.

The carrier has steadily lost in traffic over the past few years, its deficit of over \$195,000 in 1926 increasing to \$1,387,000 up to August 31, 1931.

The carrier's obligations to the Government are secured by \$830,300 face amount of first-mortgage 6 per cent bonds of the carrier due 1944, and \$500,000 par value 7 per cent cumulative preferred stock of the carrier. The bonds constitute a first mortgage on property now owned or hereafter acquired by the carrier.

There are attached for the years ended December 31, 1926 to 1930, and for eight months of 1931, as Exhibit 39, a comparative balance sheet of the receiver; as Exhibit 40, a comparative income account; and as Exhibit 41, a statement of the operating revenues and expenses, which show the financial condition of the carrier.

SEABOARD AIR LINE RAILWAY CO.

Between September 15, 1920, and May 16, 1923, the Government made loans to this carrier aggregating \$15,457,400 for the purpose of enabling the carrier to meet its maturing indebtedness and provide for additions and betterments. The Government acquired the promissory notes of the carrier in the aggregate amount of the loans dated as of the date of the loan in each case and maturing from December 1, 1931, to November 1, 1938. Payments have been made on account of the principal of the notes amounting to \$1,013,512.16, thus reducing the aggregate principal amount to \$14,443,887.84. The carrier paid the interest on its notes up to March 15, 1930, after which it defaulted, and on December 23, 1930, went into receivership.

This carrier serves territory along the Atlantic seaboard extending as far south as Florida. The collapse of the Florida land boom, the subsequent failure of the Florida fruit crop, and the general business depression beginning late in 1929 have materially affected its operating revenues. In 1930 an amount of \$20,000,000 was made available to the carrier through the sale of additional capital stock, but this was not sufficient to carry it through its financial difficulties.

The carrier's obligations to the Government are secured by \$16,976,500 face amount of first and consolidated mortgage 6 per cent gold bonds, series A, of the carrier, due September 1, 1945, which are a first lien (subject to receivers' certificates) on 434 miles of tracks in Georgia and South Carolina; and certain bonds and preferred and capital stock; \$1,200,000 face amount of first mortgage 6 per cent gold bonds, series B, of the Seaboard-All Florida Railway Co., due August 1, 1935, which are, with the balance of the outstanding issue, a first lien on 464 miles of main line of Seaboard-All Florida Railway, Florida Western & Northern Railroad Co., and the East & West Coast Railway; \$200,000 face amount of first-mortgage 5 per cent gold bonds, series A, of Florida Central & Gulf Railway, due July 1, 1967, which are a first lien on the entire property of this carrier; \$299,000 face amount of first-mortgage 6 per cent gold bonds, series A, of the Prince George & Chesterfield Railway, due April 1, 1953, which are a first lien on about 16 miles of tracks of this carrier;

\$13,000 face amount of first mortgage 50-year 5 per cent gold bonds of the Durham Union Station Co., due 1955, which are a first lien on entire property of this company; and certain miscellaneous preferred and capital stock of various companies under the control of the Seaboard Air Line Railway Co.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 42, a comparative general balance sheet of the carrier and receivers; as Exhibit 43, a comparative income account; and as Exhibit 44, a statement of operating revenues and expenses, which show the financial condition of this road.

The Government has filed, through the Attorney General of the United States, its claim with the receivers and the Attorney General, through the United States District Attorney, is watching the receivership proceedings with a view to taking such steps as are necessary to protect the interests of the Government.

SEABOARD BAY LINE CO.

This company was organized in 1922 for the purpose of making available to the Seaboard Air Line Railway Co. new and rebuilt equipment. The Government made a loan to this company in the amount of \$4,400,000 for the purpose of buying and rebuilding equipment to be used on a rental basis by the Seaboard Air Line Railway Co. As a result of the loan the Government acquired the promissory notes of the company in the amount of the loan, payable in 1923 to 1937. The company has paid, in addition to the semiannual interest, the sum of \$3,144,000, on account of the principal of the notes, leaving \$1,256,000 to be paid between 1931-1937.

This company's obligations to the Government are secured by \$1,704,000 face amount of 6 per cent equipment trust notes of the company maturing between 1931-1937, and further secured by the unrestricted indorsement and guaranty of the Seaboard Air Line Railway Co.

As this company is a subsidiary of the Seaboard Air Line Railway Co. and is no more than an equipment trust organization, receiving and paying out the amounts due from the carrier as rentals on the equipment, there are no financial statements attached for this company.

SHEARWOOD RAILWAY CO.

The loan originally made to this carrier amounted to \$29,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness and to provide additions and betterments. The Government acquired as a result of the loan the promissory note of the carrier in the amount of the loan, dated February 2, 1921, and maturing July 1, 1933. The carrier has paid the interest and, in addition, has paid \$21,199.77 on account of the principal of the note, leaving \$7,800.23 to be paid by July 1, 1933. With the consent of the carrier the Comptroller General of the United States has been withholding payments due from the United States on account of the transportation of the mails and applying the amount thereof on account of the carrier's indebtedness.

This carrier has recently requested the Treasury to have the mail pay due from the Government, now being withheld and applied on its indebtedness, released up to July 1, 1932, so that it can use this revenue to meet its expenses. It also requested the extension of the time within which to pay the installment of principal due July 1, 1931, from this date to July 1, 1932. The carrier advises that its principal revenues are derived from hauling lumber, naval stores, and farm products. On account of the general business depression, particularly in these industries, its revenues have suffered severely during the past few months. It contends that it will be necessary to have these funds to help out during the coming winter months, otherwise there is danger of the road not being able to survive its present difficulties. The department is now giving consideration to this request.

The balance due on account of this indebtedness is secured by \$102,000 face amount of first-mortgage 6 per cent gold bonds of the carrier, due 1949, which are a first lien on all the property of the carrier.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 45, a comparative general balance sheet of the carrier; as Exhibit 46, a comparative income account; and as Exhibit 47, a statement of operating revenues and expenses, which show the financial condition of the carrier.

TOLEDO, ST. LOUIS & WESTERN RAILROAD CO., RECEIVER OF

The Government made a loan of \$692,000 to the receiver of this company for the purpose of enabling him to provide equipment and other additions and betterments for the road. As a result of the loan the Government acquired the promissory notes of the receiver in the amount of the loan, dated May 16, 1921, and maturing from May 16, 1922 to 1936.

On January 1, 1923, the properties of this carrier were merged with The New York, Chicago & St. Louis Railroad Co., the latter assuming the liability of the indebtedness to the Government. The receiver and The New York, Chicago & St. Louis Railroad Co. have paid the notes as they matured, amounting to \$460,000, as well as the interest, leaving a balance due of \$232,000 on account of principal.

The balance due on the loan is secured by \$232,000 of receiver's certificates maturing between 1932 and 1936, which are a general lien on all of the property of the carrier for account of which the loan was made, subject to prior liens of the mortgages dated July 1, 1900, and certain trust obligations incurred by the receiver.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, of The New York, Chicago & St. Louis Railroad Co., as Exhibits 48, a comparative general balance sheet; as Exhibit 49, a comparative income account; and as Exhibit 50, a statement of railway operating revenues and expenses, which show the financial condition of the carrier assuming the obligation to the Government.

VIRGINIA BLUE RIDGE RAILWAY CO.

The loan originally made to this carrier amounted to \$106,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness. The loan is evidenced by the carrier's promissory note in the amount of the loan, dated April 4, 1921, and matured April

4, 1926. The carrier defaulted in the interest payment due April 1, 1926, and also on the principal of the note due on April 4, 1926. The accrued and unpaid interest amounts to \$34,980, making a total indebtedness due of \$140,980.

The carrier has applied to the Interstate Commerce Commission for an extension of the time to April 4, 1936, within which the loan is to be repaid. No action has as yet been taken by the commission, and it does not appear at the present time that anything would be gained by this extension, as the road is not able to pay the interest as it falls due. This carrier depended to a great extent for its revenue upon the transportation of timber products from two timber companies located along its lines. The failure of these two companies has resulted in a substantial decrease in its revenues. Unless some new revenue-producing sources are developed, it is not believed that the carrier will be able to meet the principal and interest due on its note.

The carrier's obligation to the Government is secured by \$134,000 principal amount of first mortgage 6 per cent gold bonds of the carrier due 1946, which are a first lien on the entire property of the carrier. The note is further secured by the unrestricted indorsement and guaranty as to both principal and interest by Messrs. Howard Cobb and Fordyce Cobb, of Ithaca, N. Y., and Messrs. John W. Powell and John W. Dwight, of Washington, D. C.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 51, a comparative general balance sheet of the carrier; as Exhibit 52, a comparative income account; and as Exhibit 53, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

VIRGINIA SOUTHERN RAILWAY CO.

The loan originally made to this carrier amounted to \$38,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness. The loan is evidenced by promissory note of the carrier in the amount of the loan, dated February 21, 1921, and maturing February 21, 1931. The carrier defaulted in the payment of interest due July 1, 1924, and went into receivership on May 3, 1926. The accrued and unpaid interest amounts to \$14,326.97, making a total indebtedness due of \$52,326.97.

The Government, through the Attorney General of the United States, has filed with the receiver its claim for the amount due from the carrier, and the Attorney General through the United States district attorney has been watching the receivership proceedings, with a view to taking any necessary steps to protect the interests of the Government. If this carrier is to be able to meet its operating expenses and fixed charges, it will be necessary for new sources of revenue to be developed. It was thought that these new sources might be brought about through the development of the timber resources along its lines, but so far they have not materialized.

The obligations of the carrier to the Government are secured by \$76,000 face amount of first mortgage 6 per cent bonds of the carrier dated January 1, 1921, due January 1, 1931, which are a first lien on the entire property of the carrier.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 54, a comparative general

balance sheet of the receiver; as Exhibit 55, a comparative income account; and as Exhibit 56, a statement of railway-operating expenses and revenues, which show the financial condition of this carrier.

WATERLOO, CEDAR FALLS & NORTHERN RAILWAY CO.

The loan originally made to this carrier amounted to \$1,260,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness and provide certain additions and betterments. The loan is evidenced by the promissory notes of the carrier in the aggregate amount of the loan, all dated April 15, 1921, and maturing from April 15, 1931 to 1936. The carrier defaulted in the interest payment due April 15, 1922, and also defaulted in the payment of the principal of the note in the amount of \$200,000, maturing April 15, 1931. The amount of the accrued and unpaid interest is \$708,247.53, which makes a total indebtedness of \$1,968,247.53.

The carrier is not in receivership, but has been operated by a bondholders' protective committee since 1923. The carrier advises that its passenger revenues have been substantially decreased as a result of privately owned automobiles, which condition has been brought about by the improvement made in the State highways during the past 10 years. A great deal of the passenger traffic formerly enjoyed by this carrier has been diverted to competitive motor bus lines, and a substantial amount of its freight business has been lost in a similar manner. This, together with the world-wide depression existing during the past two years, has had a serious effect on its revenues, and unless additional revenue-producing sources can be found, it appears that the carrier may face further financial difficulties.

The carrier's obligations to the Government are secured by \$1,575,000 face amount of general mortgage 7 per cent gold bonds of the carrier due 1950, which are a general mortgage on the property of the carrier, subject to the lien enjoyed by \$5,773,000 first 5's of 1940.

There are attached for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 57, a comparative general balance sheet of the carrier; as Exhibit 58, a comparative income account; and as Exhibit 59, a statement of railway-operating revenues and expenses, which show the financial condition of the carrier.

WICHITA NORTHWESTERN RAILWAY CO.

The loan originally made to this carrier amounts to \$381,750, and was for the purpose of enabling the carrier to meet its maturing indebtedness and provide for additions and betterments. The loan is evidenced by the carrier's promissory note in the amount of the loan, dated June 1, 1921, and matured June 1, 1931. The carrier went into receivership on November 10, 1922, has been in default on account of interest payments since June 1, 1924, and defaulted on the principal of the note on June 1, 1931. The accrued and unpaid interest amounts to \$171,787.50, which makes a total indebtedness due of \$553,537.50.

The Government, through the Attorney General of the United States, has filed with the receiver its claim for the amount due, and the Attorney General, through the United States district attorney, is watching the receivership proceedings with a view to protecting

the interests of the Government. An examination of the carrier's financial statements attached hereto clearly indicates that its financial condition is such that no immediate payment can be expected of the amount due the Government.

The carrier's obligation to the Government is secured by \$600,000 first consolidated 10-year 6 per cent gold bonds due 1931, which are a first lien on the entire property of the carrier, consisting of about 100 miles of road in the State of Kansas.

There are attached hereto for the years ended December 31, 1926 to 1930, and eight months of 1931, as Exhibit 60, a comparative general balance sheet of the receiver; as Exhibit 61, a comparative income account; and as Exhibit 62, a statement of railway operating revenues and expenses, which show the financial condition of the road.

WILMINGTON, BRUNSWICK & SOUTHERN RAILROAD CO.

The loan originally made to this carrier amounted to \$90,000, and was for the purpose of enabling the carrier to meet its maturing indebtedness and to provide for additions and betterments. The loan is evidenced by the carrier's promissory note in the amount of the loan, dated January 15, 1921, due January 15, 1928. The carrier paid the interest due on the loan up to January 1, 1930, but defaulted in the payment of the interest due January 1, 1930, and since that date, and has been in default on account of the principal since January 15, 1928. Accrued and unpaid interest amounts to \$8,100, which makes a total indebtedness of \$98,100.

The carrier applied to the Interstate Commerce Commission prior to the maturity of its note, for an extension for a period of five years of the time in which to make payment on account of principal. The commission considered the application and after investigation advised the Treasury that in its opinion an extension of the time of payment should not be made at that time, but that it was inclined to the view that the Treasury should extend a reasonable forbearance in the matter of repayment, which would serve the same purpose as extending the note. This would afford the carrier additional time within which to demonstrate the effect upon its earnings of certain new traffic which had been recently developed. The carrier recently advised the Treasury that it hoped to pay the interest due January 1, 1932, as business along the lines of the carrier had improved and it looked as though there might be further improvement in this respect. In cases of this character, the Treasury is inclined to allow the carrier sufficient time to try to work out its difficulties, and avoid, if possible, receivership proceedings.

The carrier's obligation to the Government is secured by \$168,000 face amount of first mortgage 30-year 5 per cent bonds due 1941, which are a first lien on the entire property of the company.

There are attached for the years ended December 31, 1926 to 1930, as Exhibit 63, a comparative general balance sheet of the carrier; as Exhibit 64, a comparative income account; and as Exhibit 65, a statement of railway operating revenues and expenses, which show the financial condition of the carrier.

It may be added that the United States Government, in filing its claims for amounts due from carriers in receivership, has claimed

priority under section 3466 of the Revised Statutes. The priority of the United States under this section has been contested from time to time, and the matter in the case of the indebtedness of the Minneapolis & St. Louis Railroad, was carried to the Supreme Court of the United States in order to settle the question definitely. Justice Brandeis delivered the opinion of the court, in which he said:

To have given priority to debts due the United States pursuant to Title II, would have defeated the purpose of Congress. It not only would have prevented the reestablishment of railroad credit among bankers and investors, but it would even have seriously impaired the market value of outstanding railroad securities. It would have deprived the carriers of the credit commonly enjoyed from supply men and others; would have seriously embarrassed the carriers in their daily operations; and would have made necessary a great enlargement of their working capital. The provision for loans under section 210 would have been frustrated. For, carriers could ill afford voluntarily to contract new debts thereunder which would displace, pro tanto, their existing bonded indebtedness. The entire spirit of the act makes clear the purpose that the rule leading to such consequences should not be applied.

A copy of this opinion is attached as Exhibit 66.

Respectfully,

A. W. MELLON,
Secretary of the Treasury.

EXHIBIT 1

Statement showing amount of loans made to carriers under section 210 of the transportation act, 1920, as amended, amount of repayments on such loans, the amount outstanding, and the amount of interest collected, as of October 1, 1931.

Carrier	Principal amount originally held (amount loaned)	Principal amount held on Oct. 1, 1931	Total payments received	
			Principal	Interest
Akron, Canton & Youngstown Ry. Co.	\$212,000.00		\$212,000.00	\$43,068.26
Alabama, Tennessee & Northern R. R. Corporation	480,000.00	\$151,500.00	337,500.00	182,866.29
Alabama & Vicksburg Ry. Co.	1,394,000.00		1,394,000.00	261,889.18
Ann Arbor R. R. Co.	650,000.00		650,000.00	149,139.76
Aransas Harbor Terminal Ry.	50,000.00	44,304.67	5,695.33	27,696.19
Atlanta, Birmingham & Atlantic Ry. Co.	200,000.00		200,000.00	67,824.76
Baltimore & Ohio R. R. Co.	3,000,000.00		3,000,000.00	938,571.42
Bangor & Aroostook R. R. Co.	200,000.00		200,000.00	53,617.19
Birmingham & Northwestern Ry. Co.	75,000.00		75,000.00	14,380.43
Boston & Maine R. R.	21,705,479.00		21,705,479.00	11,348,970.39
Buffalo, Rochester & Pittsburgh Ry. Co.	1,000,000.00		1,000,000.00	218,625.09
Cambria & Indiana R. R. Co.	250,000.00		250,000.00	13,342.54
Carolina, Clinchfield & Ohio Ry. Co.	8,000,000.00		8,000,000.00	720,508.83
Central of Georgia Ry. Co.	237,900.00		237,900.00	41,300.73
Central New England Ry. Co.	300,000.00		300,000.00	108,646.40
Central Vermont Ry. Co.	193,000.00		193,000.00	49,602.56
Charles City Western Ry. Co.	140,000.00	140,000.00		82,936.62
Chesapeake & Ohio Ry. Co.	9,097,000.00		9,097,000.00	3,800,577.43
Chicago & Eastern Illinois R. R. Co., receiver of	785,000.00		785,000.00	232,144.70
Chicago Great Western R. R. Co.	2,445,373.00		2,445,373.00	1,111,143.44
Chicago, Indianapolis & Louisville Ry. Co.	200,000.00		200,000.00	63,089.56
Chicago, Milwaukee & St. Paul Ry. Co.	35,340,000.00		35,340,000.00	14,705,198.58
Chicago, Rock Island & Pacific Ry. Co.	9,862,000.00		9,862,000.00	3,626,834.75
Chicago & Western Indiana R. R. Co.	8,000,000.00	6,169,000.00	1,831,000.00	4,680,464.56
Cisco & Northeastern Ry. Co.	236,450.00		236,450.00	82,762.50
Cowlitz, Chehalis & Cascade Ry. Co.	45,000.00		45,000.00	10,901.94
Cumberland & Manchester R. R. Co.	375,000.00		375,000.00	122,163.36
Des Moines & Central Iowa R. R. Co.	633,500.00	633,500.00		211,952.21
Erie R. R. Co.	11,574,450.00		11,574,450.00	4,492,759.30
Evansville, Indianapolis & Terre Haute Ry. Co.	400,000.00		400,000.00	59,840.25
Fernwood, Columbia & Gulf R. R. Co.	33,000.00	18,000.00	15,000.00	13,538.48
Flemingsburg & Northern R. R. Co.	7,250.00		7,250.00	1,293.11

Statement showing amount of loans made to carriers under section 210 of the transportation act, 1920, as amended, amount of repayments on such loans, the amount outstanding, and the amount of interest collected, as of October 1, 1931—Contd.

Carrier	Principal amount originally held (amount loaned)	Principal amount held on Oct. 1, 1931	Total payments received	
			Principal	Interest
Fort Dodge, Des Moines & Southern R. R. Co.	\$200,000.00	\$200,000.00		\$102,608.36
Fort Smith & Western R. R. Co., receiver of	156,000.00		\$156,000.00	46,900.00
Gainesville & Northwestern R. R. Co.	75,000.00	75,000.00		4,510.73
Georgia & Florida Ry., receivers of	792,000.00	792,000.00		385,165.19
Great Northern R. R. Co.	18,496,000.00		18,496,000.00	1,903,588.76
Greene County R. R. Co.	60,000.00	6,000.00	54,000.00	19,900.00
Gulf, Mobile & Northern R. R. Co.	1,433,500.00		1,433,500.00	310,272.40
Hocking Valley Ry. Co.	1,665,000.00		1,665,000.00	494,780.74
Illinois Central R. R. Co.	4,440,000.00		4,440,000.00	511,188.68
Indiana Harbor Belt R. R. Co.	579,000.00		579,000.00	58,343.87
International & Great Northern Ry. Co., receiver of	194,300.00		194,300.00	13,397.14
Kansas City, Mexico & Orient R. R. Co., receiver of	2,500,000.00		2,500,000.00	1,219,683.39
Kansas City Terminal Ry. Co.	580,000.00		580,000.00	142,718.04
Lake Erie, Franklin & Clarion R. R. Co.	25,000.00		25,000.00	7,485.16
Long Island R. R. Co.	719,000.00		719,000.00	64,283.72
Louisville & Jeffersonville Bridge & Railroad Co.	162,000.00		162,000.00	50,247.84
Maine Central R. R. Co.	2,373,000.00		2,373,000.00	716,347.05
Minneapolis & St. Louis R. R. Co.	1,382,000.00	1,382,000.00		203,190.27
Missouri, Kansas & Texas Ry. Co. of Texas, receiver of	450,000.00		450,000.00	80,207.61
Missouri & North Arkansas Ry. Co.	3,500,000.00	3,500,000.00		475,960.11
Missouri Pacific R. R. Co.	10,071,760.00		10,071,760.00	2,300,646.97
National Railway Service Corporation	11,437,830.00	2,199,517.53	9,238,312.47	3,434,713.14
New Orleans, Texas & Mexico Ry. Co.	234,000.00		234,000.00	21,842.01
New York Central R. R. Co.	26,775,000.00		26,775,000.00	3,001,831.76
New York, New Haven & Hartford R. R. Co.	27,530,000.00		27,530,000.00	9,640,846.21
Norfolk Southern R. R. Co.	1,666,000.00		1,666,000.00	509,691.58
Northern Pacific Ry. Co.	6,000,000.00		6,000,000.00	376,996.07
Pennsylvania R. R. Co.	12,480,000.00		12,480,000.00	1,242,788.63
Peoria & Pekin Union Ry. Co.	1,799,000.00		1,799,000.00	383,546.22
Rutland R. R. Co.	61,000.00		61,000.00	7,239.56
Salt Lake & Utah R. R. Co.	1,000,000.00	872,600.00	127,400.00	183,923.33
Seaboard Air Line Ry. Co.	15,457,400.00	14,443,887.84	1,013,512.16	7,495,672.69
Seaboard Bay Line Co.	4,400,000.00	1,256,000.00	3,144,000.00	1,707,865.25
Shearwood Ry. Co.	29,000.00	7,800.23	21,199.77	13,785.61
Tampa Northern R. R. Co.	100,000.00		100,000.00	11,934.79
Terminal Railroad Association of St. Louis	896,925.00		896,925.00	96,445.54
Tennessee Central Ry. Co.	1,500,000.00		1,500,000.00	315,625.97
Toledo, St. Louis & Western R. R. Co., receiver of	692,000.00	232,000.00	460,000.00	290,834.35
Trans-Mississippi Terminal R. R. Co.	1,000,000.00		1,000,000.00	170,055.24
Virginia Blue Ridge Ry. Co.	106,000.00	106,000.00		31,882.48
Virginia Southern R. R. Co.	38,000.00	38,000.00		9,241.43
Virginia Ry. Co. The	2,000,000.00		2,000,000.00	418,593.62
Waterloo, Cedar Falls & Northern Ry. Co.	1,260,000.00	1,260,000.00		48,751.27
Western Maryland Ry. Co.	3,682,800.00		3,682,800.00	1,103,743.79
Wheeling & Lake Erie Ry. Co.	3,200,000.00		3,200,000.00	1,058,419.66
Wichita Northwestern Ry. Co.	381,750.00	381,750.00		55,510.20
Wilmington, Brunswick & Southern Ry. Co.	90,000.00	90,000.00		48,301.66
Total	290,800,667.00	33,908,880.27	256,891,806.73	88,434,109.03

EXHIBIT 2

Obligations acquired pursuant to section 210 of the transportation act, 1920, and outstanding October 1, 1931

Name of carrier	Principal	Accrued and unpaid interest	Total	Collateral face amount	Class of collateral	Remarks
Alabama, Tennessee & Northern R. R. Corporation.	\$151,500.00		\$151,500.00	\$77,000.00	Prior lien 6 per cent gold bonds of carrier.	
Arkansas Harbor Terminal Ry.	44,304.67	\$1,335.37	45,640.04	148,800.00	Prior lien mortgage 6 per cent gold notes of carrier.	
Charles City Western Ry. Co.	140,000.00		140,000.00	210,000.00	First mortgage 6 per cent gold bonds of carrier.	
Chicago Western Indiana R. R. Co.	6,100,000.00		6,100,000.00	7,835,000.00	First and refunding mortgage 5 per cent gold bonds of carrier.	
Des Moines & Central Iowa R. R.	635,500.00	181,402.00	814,902.00	795,000.00	First mortgage 7 1/4 per cent gold bonds of carrier.	
Fernwood, Columbia & Gulf R. R. Co.	18,000.00		18,000.00	40,000.00	First mortgage 6 per cent bonds of carrier.	Receiver appointed Feb. 18, 1930.
Fort Dodge, Des Moines & Southern R. R. Co.	200,000.00	23,162.13	223,162.13	400,000.00	First mortgage 5 per cent gold bonds of the carrier.	Receiver appointed Dec. 8, 1923.
Galveston & Northwestern R. R. Co.	75,000.00	38,102.53	113,102.53	75,000.00	First mortgage 6 per cent gold bonds of the carrier.	Receiver appointed Oct. 19, 1923.
Georgia & Florida Ry., receiver of the.	792,000.00	95,040.00	887,040.00	1,100,000.00	First mortgage 20-year 6 per cent gold bonds of the Georgia & Florida R. R.	
Greene County R. R. Co.	6,000.00		6,000.00	31,000.00	First mortgage 6 per cent bonds of carrier.	
Minneapolis & St. Louis R. R. Co.	1,382,000.00	667,460.73	2,049,460.73	12,000.00	Capital stock Georgia Car Locomotive Co.	
Missouri & North Arkansas Ry. Co.	3,500,000.00	1,507,060.71	5,007,060.71	2,377,000.00	First mortgage 6 per cent gold bonds of the carrier.	Receiver appointed July 25, 1923.
National Railway Service Corporation: Account Minneapolis & St. Louis R. R. Co.	230,252.12		230,252.12	5,000,000.00	First mortgage 6 per cent bonds of the carrier.	Receiver appointed May 6, 1927.
Account Wheeling & Lake Erie Ry. Co.	1,960,265.41		1,960,265.41	230,252.12	Equipment trust 6 per cent notes of corporations: Guaranty of Minneapolis & St. Louis R. R. Co.	
					(Equipment trust 6 per cent notes of corporations.)	
					Refunding mortgage gold bonds of Wheeling & Lake Erie Ry. Co.: \$177,000, series B, at 5 per cent; \$1,460,000, series C, at 6 per cent.	
					Guaranty of Wheeling & Lake Erie Ry. Co. All bonds of corporations secured by 20 shares of stock of the corporation.	

Salt Lake & Utah R. R. Co.	872,600.00	366,456.80	1,239,056.80	830,300.00	First mortgage 6 per cent gold bonds of the carrier.	Receiver appointed July 24, 1925.
				500,000.00	7 per cent cumulative first preferred stock of the carrier.	
				500,000.00	7 per cent cumulative preferred stock of the carrier.	
				1,043,000.00	Fruit Growers Express Co. stock.	
				3,021,600.00	Seaboard Air Line Ry. Co. common stock.	
				2,235,000.00	Seaboard Air Line Ry. Co. 6 per cent preferred stock.	
				1,105,900.00	Seaboard Air Line Ry. Co. 4-2 per cent preferred stock.	
				10,976,500.00	Seaboard Air Line Ry. Co. first consolidated mortgage, series A, 6 per cent gold bonds, due 1945.	
				2,900.00	Albany Passenger Terminal stock.	
				34,800.00	North Charleston Terminal stock.	
				24,700.00	Chatham Terminal Co. stock.	
				1,376,000.00	Florida Central & Gulf Ry. first mortgage 5 per cent bonds, 1907.	
Seaboard Air Line Ry. Co.	14,443,887.84	935,421.58	15,379,309.42	200,000.00	Durham Union Station Co. first mortgage 5 per cent bonds, 1908.	
				13,000.00	Seaboard Air Line Ry. first mortgage 6 per cent bonds, 1908.	
				1,200,000.00	Seaboard Air Line Ry. first mortgage 6 per cent bonds, 1908.	
				200,000.00	Prince George & Chesterfield Ry. first mortgage 6 per cent bonds, due 1933.	
Seaboard Bay Line Co.	1,256,000.00		1,256,000.00	27,520,225.00	Equipment trust 6 per cent notes of corporations: Guaranty of Seaboard Air Line Ry. Co.	
Shearwood Ry. Co.	7,800.23		7,800.23	102,000.00	First mortgage 6 per cent bonds of the carrier.	
Toledo, St. Louis & Western R. R. Co., receiver of the.	232,000.00		232,000.00	232,000.00	Receivers' certificates of the Toledo, St. Louis & Western R. R. Co.	
Virginia, Blue Ridge Ry. Co.	104,000.00	34,980.00	140,980.00	134,000.00	First mortgage 6 per cent gold bonds of the carrier.	
Virginia Southern R. R. Co.	38,000.00	14,326.97	52,326.97	76,000.00	General mortgage 7 per cent bonds of the carrier.	Receiver appointed May 3, 1926.
Waterloo, Cedar Falls & Northern Ry. Co.	1,260,000.00	708,247.53	1,968,247.53	1,575,000.00	First consolidated mortgage 6 per cent bonds of the carrier.	Receiver appointed Nov. 10, 1922.
Wichita Northwestern Ry. Co.	381,750.00	171,787.50	553,537.50	600,000.00	First mortgage 5 per cent bonds of the carrier.	
Wilmington, Brunswick & Southern R. R. Co.	90,000.00	8,100.00	98,100.00	168,000.00	First mortgage 5 per cent bonds of the carrier.	
Total	33,998,860.27	4,752,902.85	38,751,763.12	55,935,017.53		

EXHIBIT 3

Alabama, Tennessee & Northern Railroad Corporation—comparative general balance sheet for the years ended December 31, 1926 to 1930, inclusive, and for the eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investments:						
Investment in road and equipment.....	\$7,218,000.95	\$8,017,709.46	\$8,494,233.96	\$8,619,073.32	\$8,745,008.85	\$8,600,670.51
Miscellaneous physical property.....	9,032.55					4,083.50
Other investments (B) bonds.....	40,000.00					
Total investments.....	7,267,033.50	8,017,709.46	8,494,233.96	8,619,073.32	8,745,008.85	8,604,754.01
Current assets:						
Cash.....	595,749.28	682,695.26	289,339.13	103,465.95	30,510.58	33,825.05
Special deposits.....	37,727.60	62,678.40	28,973.40	69,575.80	23,512.87	22,133.08
Traffic and car service balance receivable.....	11,149.62	8,267.22	28,960.96	18,669.88	7,331.24	14,176.47
Net balances receivable from agents and conductors.....	3,016.80	2,845.80	3,672.27	4,194.84	7,331.24	55,463.57
Miscellaneous accounts receivable.....	8,067.55	1,821.05	13,897.31	9,333.82	62,631.77	31,269.91
Material and supplies.....	37,699.46	106,026.03	25,032.77	43,775.45	41,303.63	
Interest and dividends receivable.....	2,549.90	1,018.39	950.23	249.97		
Total current assets.....	605,980.41	844,352.55	410,798.47	249,194.72	234,829.89	157,304.58
Deferred assets: Working fund advances.....	316.20	316.20	316.20	316.20	316.20	316.20
Unadjusted debits:						
Risks.....	1,397.84	805.82	2,236.62	1,340.64	1,000.31	3,275.96
Discount on funded debt.....	18,629.23	10,741.75	18,067.58	82,911.55	22,885.79	20,878.36
Other unadjusted debits.....						
Securities issued or assumed, unpledged—						
Stock (short col.).....	(283,440.00)	(283,440.00)	(283,440.00)	(283,440.00)	(283,440.00)	(283,440.00)
Bonds (short col.).....	(325,710.53)	(178,710.53)	(183,710.53)	(326,710.53)	(356,710.53)	(177,710.53)
Securities issued or assumed, pledged—						
Stock (short col.).....	(130,000.00)	(116,000.00)	(102,000.00)	(99,000.00)	(77,000.00)	(459,000.00)
Car trust certificates (short col.).....	(225,000.00)	(225,000.00)	(198,400.00)	(173,600.00)	(148,800.00)	(148,800.00)
Total unadjusted debits.....	20,027.07	12,521.72	20,304.30	84,252.19	23,946.10	20,854.32
Grand total.....	7,893,357.18	8,874,959.93	8,925,650.83	8,952,836.43	9,004,101.04	8,846,233.11

LIABILITIES						
Capital stock (B1, \$4,200,000; B2, \$283,440).....	3,916,560.00	3,916,560.00	3,916,560.00	3,916,560.00	3,916,560.00	3,916,560.00
Long-term debt: Funded debt unmatured.....	2,871,789.47	3,757,298.47	3,831,789.47	3,839,289.47	3,783,789.47	3,783,789.47
Current liabilities:						
Accounts payable.....	6,891.92	11,143.77	24,546.66	27,007.52	83,000.00	203,000.00
Traffic and car service balances payable.....	101,118.88	149,005.56	161,094.99	185,401.71	174,501.71	109,701.71
Audited accounts and wages payable.....	6,400.83	6,800.65	12,744.83	10,384.83	10,384.83	10,102.89
Miscellaneous accounts payable.....	37,722.80	62,678.40	6,075.80	69,575.80	69,549.80	
Interest matured unpaid.....	1,397.80	1,170.00	1,032.50	89,895.00	757.50	25,451.44
Unmatured interest accrued.....						
Total current liabilities.....	153,441.13	290,798.76	298,344.31	294,113.02	362,416.61	373,421.19
Unadjusted credits:						
Tax liability.....	6,890.65	5,329.99	6,900.18	8,479.74	8,796.96	29,041.24
Operating reserves.....	49,608.57					
Accrued depreciation—						
Road.....	700,541.43	700,696.23	700,699.75	700,807.63	700,915.51	700,987.43
Equipment.....	184,900.53	221,663.07	290,837.58	297,746.51	338,181.42	365,228.51
Miscellaneous physical property.....	3,410.19	7,512.54	4,064.33	2,752.05	5,736.15	6,376.84
Other unadjusted credits.....	17,276.31					
Total unadjusted credits.....	962,726.68	935,011.43	972,521.84	1,009,785.83	1,053,610.04	1,101,634.02
Corporate surplus:						
Additions to property through income and surplus.....						
Appropriated surplus not specifically invested.....	63,500.00	63,500.00	63,500.00	63,500.00	63,500.00	63,500.00
Total appropriated surplus.....	63,500.00	63,500.00	63,500.00	63,500.00	63,500.00	63,500.00
Profit and loss debit balance.....	74,600.10	8,199.75	127,064.79	160,411.99	177,848.18	394,744.67
Total corporate surplus.....	111,100.10	55,300.25	63,564.79	96,911.99	112,275.06	329,170.57
Grand total.....	7,893,357.18	8,874,959.93	8,925,650.83	8,952,836.43	9,004,101.04	8,846,233.11
Debit balance.....						

EXHIBIT 4

Alabama, Tennessee & Northern Railroad Corporation—Income account for the years ended December 31, 1926 to 1930, inclusive, and for the eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
I. Operating income:						
Railway operating revenues	\$857,466.18	\$769,228.02	\$1,004,730.06	\$1,216,755.65	\$1,175,220.54	\$636,426.24
Railway operating expenses	709,427.89	640,456.00	885,351.53	960,621.02	949,654.18	530,438.74
Net revenue from railway operations	88,038.29	128,772.02	119,378.53	256,134.63	225,576.36	105,987.50
Railway tax accruals	31,298.24	33,435.28	39,466.49	45,363.14	46,244.71	29,900.17
Uncollectible railway revenues	16.89					
Railway operating income	56,783.06	95,336.74	79,912.04	210,771.49	183,331.65	76,087.43
Revenue from miscellaneous operations	7,626.55					
Expense of miscellaneous operations	7,281.24					
Net revenue from miscellaneous operations	295.31					
Taxes on miscellaneous operating property	82.09					
Miscellaneous operating income	166.22					
Total operating income	56,950.28	95,336.74	79,912.04	210,771.49	183,331.65	76,031.43
II. Nonoperating income:						
Hire of freight cars—credit balance	31,243.27	26,552.08				
Rent from locomotives	500.00	1,624.00	310.00	25.00	25.00	
Rent from work equipment		130.00	10.00			
Miscellaneous rent income						
Income from real estate and physical property	1,004.60	1,965.10			115.00	90.00
Income from funded securities	3,500.00	2,711.83				
Income from unfunded securities and accounts	19,040.33	16,520.00	14,168.59	8,453.80	1,749.65	504.39
Miscellaneous income		230.00			45.00	
Total nonoperating income	52,288.20	45,879.59	14,488.59	8,478.80	1,933.65	594.39
Gross income	109,238.48	141,216.33	94,400.63	219,250.29	185,265.30	76,625.82

III. Deductions from gross income:						
Hire of freight cars—debit balance	508.80	508.80	59,305.49	89,464.04	106,544.58	56,999.46
Depreciation on equipment	1,400.88	216.00	6,500.27	6,504.96	6,504.96	4,536.64
Joint facility rents	93,316.80	93,913.00	3,735.00	3,522.93	3,522.93	2,502.40
Miscellaneous rents	3,500.00	142,600.00	156,324.16	149,647.60	149,647.60	98,775.74
Interest on funded debt	1,863.26	171.58	26.89	702.65	64.00	4,395.36
Interest on unfunded debt			1,241.40	702.65	64.00	
Amortization of discount on funded debt			911.58	1,236.26	1,655.87	1,669.34
Miscellaneous income charges	1,863.43	864.10				
Total deductions from gross income	99,005.82	95,520.68	214,388.33	253,261.60	269,663.08	168,878.94
Net income	10,232.66	45,695.65	1,119,987.70	1,34,061.31	1,84,297.76	1,92,233.12
IV. Disposition of net income: Balance transferred to profit and loss	10,232.66	45,695.65	1,119,987.70	1,34,061.31	1,84,297.76	1,92,233.12

1 Deficit.

EXHIBIT 5

Alabama, Tennessee & Northern Railroad Corporation.—Railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for the eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$706,099.77	\$652,662.43	\$882,842.81	\$1,078,035.47	\$1,078,339.74	\$888,723.31
Passenger.....	60,943.41	51,240.11	50,993.18	54,460.67	56,783.49	13,214.98
Excess baggage.....	32,262.43	38,221.84	43,031.49	40,831.16	43,630.83	27,332.07
Freight.....	13,150.16	12,501.72	5,851.64	7,308.42	4,405.07	1,442.68
Milk.....	696.49	751.29	136.08	27.40	5.26	.....
Switching.....	1,028.80	1,134.03	1,415.25	819.00	3,411.75	1,835.55
Special service train.....	131.25	445.00	.....	.....	.....	.....
Total rail-line transportation revenue.....	814,960.55	757,112.52	984,340.28	1,201,611.43	1,166,601.83	632,568.71
Station, train, and boat privileges.....	205.27	32.36	33.21	29.81	36.03	22.47
Storage.....	807.86	748.73	887.35	765.10	562.89	250.10
Demurrage.....	5,532.00	4,044.00	4,528.07	3,122.00	3,763.00	1,556.00
Telephone and telegraph.....	5,406.97	4,995.60	5,568.07	4,896.57	2,760.10	1,293.85
Rent of building and other property.....	29,891.01	1,559.51	8,150.69	3,582.75	1,226.09	469.21
Miscellaneous.....	42,506.63	12,115.50	20,389.78	15,144.22	8,628.71	3,851.63
Total incidental.....	887,469.18	769,228.02	1,004,730.06	1,216,755.05	1,175,230.54	636,420.34
Total railway.....	347,767.34	293,111.52	295,205.16	314,663.81	278,741.40	159,788.88
Maintenance of way and structures.....	162,887.80	155,355.97	174,570.15	192,451.93	192,288.84	100,833.52
Traffic.....	19,181.77	14,424.02	38,138.89	50,377.53	68,952.41	41,654.76
Transportation, rail-line.....	10,181.77	21,885.11	323,494.08	343,169.24	347,916.55	193,653.14
General.....	48,837.15	48,177.44	58,668.25	59,668.51	58,764.89	34,538.44
Total railway.....	769,427.89	640,456.00	885,351.53	960,621.02	946,654.18	530,488.74

EXHIBIT 6

Aransas Harbor Terminal Railway—Comparative general balance sheet, for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investment in road and equipment.....	\$385,266.10	\$385,266.10	\$385,566.10	\$385,566.10	\$384,412.96	\$385,483.62
Miscellaneous physical property.....	41,511.13	41,511.13	41,511.13	42,454.83	42,475.33	42,475.33
Total investments.....	426,777.23	426,777.23	427,077.23	428,020.93	426,888.29	430,038.95
Cash.....	789.97	6,877.13	947.74	200.62	732.72	162.08
Loans and bills receivable.....	13,400.00	14,571.00	13,075.00	7,325.00	5,626.46	5,626.46
Notes and accounts receivable.....	1,560.77	1,791.50	1,029.37	1,457.21	655.43	.....
Notes and accounts payable.....	5,883.16	1,371.99	2,013.27	257.33	377.10	477.01
Miscellaneous accounts receivable.....	3,063.79	2,051.56	2,148.88	3,109.16	2,148.71	3,387.27
Material and supplies.....	421.59	660.43	253.43	.....	3,589.68	42.09
Other current assets.....	24,840.28	30,917.44	20,067.69	11,349.32	7,546.45	9,652.82
Total current assets.....	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	2,000.00
Working-fund advances—deferred assets.....	196.93	196.97	260.19	446.11	.....	17.42
Rents and insurance paid in advance.....	38,335.74	36,219.18	34,102.62	31,460.00	29,869.10	28,435.46
Discount on funded debt.....	111,775.48	111,775.46	111,018.51	111,689.08	111,438.12	111,438.12
Other unadjusted debits, storm.....	.....	.....	.....	.....	.....	339.48
Other unadjusted debits.....	50,306.15	148,189.63	145,977.12	144,082.20	141,307.62	140,263.48
Total unadjusted debits.....	602,923.66	606,884.30	594,122.04	584,452.45	576,742.36	582,865.25
Grand total.....	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
LIABILITIES						
Capital stock.....	294,000.00	294,000.00	294,000.00	294,000.00	294,000.00	294,000.00
Funded debt unmatured.....	422,225.15	462,328.26	497,198.83	535,368.88	564,451.60	651,263.06
Nonnegotiable debt to affiliated companies.....	.....	.....	.....	.....	91,540.74	.....
(b) Open accounts.....	713,223.15	756,323.26	791,198.83	829,366.88	909,992.34	945,263.06
Total long-term debt.....	300.00	500.00	3,000.00	5,000.00	.....	.....
Loans and bills payable.....	1,603.44	8,924.59	2,068.91	7,008.36	5,577.34	3,234.47
Traffic and car service balance payable.....	1,603.44	8,924.59	2,068.91	7,008.36	5,577.34	3,234.47
Audited accounts and wages payable.....	175,630.80	191,190.00	208,800.00	226,440.00	244,080.00	261,720.00
Interest matured unpaid.....	.....	.....	.....	.....	.....	.....

Arkansas Harbor Terminal Railway—Comparative general balance sheet for the years ended December 31, 1926, to 1930, inclusive, and for eight months ended August 31, 1931—Continued

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
LIABILITIES—continued						
Funded debt matured, unpaid.....	\$50,000.00	\$50,000.00	\$50,000.00		\$45,317.32	\$44,624.02
Other current liabilities.....	8,941.51	8,962.47	8,963.49	\$46,756.67	8,009.85	9,599.53
Do.....				9,019.57	51.34	3,961.17
Total current liabilities.....	238,745.48	265,226.33	275,890.98	294,786.72	304,829.47	323,139.19
Tax liabilities.....	2,078.58	750.87	1,530.79	1,690.58	1,201.71	562.90
Accrued depreciation, road.....	38,457.48	47,414.32	47,414.32	47,414.32	47,414.32	47,414.32
Accrued depreciation, equipment.....	8,899.62	9,547.70	10,205.78	10,863.86	10,851.94	11,090.66
Other unadjusted credits.....	4,621.26	2,196.25	2,196.25	2,348.50	554.09	764.49
Total unadjusted credits.....	55,046.94	59,872.14	61,610.14	62,316.26	59,322.06	59,832.37
Corporate surplus: Profit and loss (debit balance).....	504,091.91	574,537.48	634,867.91	701,987.41	797,901.51	845,369.37
Grand total.....	602,923.66	606,884.30	594,122.04	584,452.45	576,742.36	582,865.25

EXHIBIT 7

Arkansas Harbor Terminal Railway—Income account for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	Eight months ended Aug. 31, 1931
Operating income:						
Railway operating revenue.....	\$7,043.27	\$14,018.75	\$40,479.89	\$21,194.24	\$27,193.38	\$9,477.67
Railway operating expenses.....	48,114.20	38,098.12	45,838.83	35,395.08	71,222.50	20,513.09
Net revenue from railway operation.....	141,070.93	121,007.37	15,338.94	14,198.84	144,027.12	11,036.02
Railway tax accruals.....	1,684.92	1,204.92	1,204.92	1,178.02	1,222.82	803.28
Uncollectible railway revenue.....				611.71	568.53	
Railway operating income.....	142,755.85	122,212.29	16,533.86	15,989.17	145,850.47	11,839.30

	1926	1927	1928	1929	1930	Eight months ended Aug. 31, 1931
Revenue from miscellaneous operations:						
Revenue from miscellaneous operations.....	885.57	4,191.92	5,940.10	6,563.33	8,585.44	3,717.92
Expenses of miscellaneous operations.....	2,005.23	980.52	8,438.89	2,311.14	908.31	345.83
Net revenue from miscellaneous operation.....	1,119.66	3,211.40	12,518.79	4,222.19	7,679.13	3,372.09
Taxes on miscellaneous physical property.....				17.68	17.68	
Miscellaneous operating income.....	1,119.66	3,211.40	12,518.79	4,204.51	7,661.45	3,372.09
Total operating income.....	143,875.51	119,000.89	19,052.65	111,784.66	138,189.02	18,467.21
Nonoperating income:						
Rent from locomotives.....	69.50	15.00	1,735.00	150.05	250.00	
Rent from work equipment.....	785.00	420.00	1,999.00	1,081.20	578.50	
Miscellaneous rent income.....	3,570.03	791.20	631.20	20.00	631.20	420.80
Miscellaneous nonoperating physical property.....					10.00	78.00
Hire of freight cars.....						6.00
Total nonoperating income.....	4,424.53	1,226.20	4,365.20	1,251.25	1,460.70	501.80
Gross income.....	138,450.98	117,774.69	14,717.45	110,533.41	136,719.32	17,969.41
Hire of freight cars (debit balance).....	205.11	2,201.00	2,562.68	809.93	1,532.22	50.76
Rent of work equipment.....					84.35	
Miscellaneous rents.....	3,570.03	994.80	995.80	1,744.80	994.80	613.20
Miscellaneous tax accruals.....	44,538.45	44,347.52	46,514.44	48,869.24	20,333.37	13,616.80
Interest on funded debt.....	281.24	3,011.00	3,123.90	3,336.94	34,082.75	23,812.12
Amortization of discount on funded debt.....	2,116.56	2,116.56	2,116.56	2,116.51	2,116.56	1,411.04
Total deductions from gross income.....	48,158.16	52,670.88	55,312.98	56,886.09	59,194.78	39,603.92
Net income.....	187,607.14	170,445.57	160,030.43	167,419.50	195,914.10	147,465.33
Income balance transferred to profit and loss.....	187,607.14	170,445.57	160,030.43	167,419.50	195,914.10	147,465.33
Debit.....						

EXHIBIT 8

Aransas Harbor Terminal Railway—Railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	Months ended Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$5,038.84	\$9,550.56	\$28,866.53	\$12,127.31	\$21,364.29	\$5,704.63
Passenger.....	434.90	20.25	4,861.50	1,232.30	233.35	132.30
Switching.....	83.90	18.00	1,273.00	233.35	233.35	132.30
Total rail-line transportation revenues.....	5,557.64	9,588.81	32,000.03	12,327.31	21,831.00	5,969.23
Storage, freight.....			2.46	10.23	153.00	8.10
Demurrage.....	14.00	1,495.00	863.00	51.00	5,442.74	1,153.54
Rents of buildings and other property.....	1,451.03	2,923.94	7,393.40	1,101.45	5,442.74	2,350.00
Miscellaneous.....			230.00			
Total operating revenue.....	1,465.03	4,420.94	8,478.86	8,668.93	5,965.74	3,511.54
Total operating revenue.....	7,043.27	14,018.75	40,479.89	21,196.24	27,193.38	9,477.07
OPERATING EXPENSES						
Maintenance of ways and structures.....	25,938.27	15,571.05	13,838.47	9,560.75	41,947.34	9,675.27
Maintenance of equipment.....	2,222.50	2,094.88	9,108.40	7,003.10	8,010.05	1,484.19
Traffic expenses.....	1,754.31	2,822.52	2,737.10	2,898.73	3,221.93	1,467.09
Transportation, rail-line.....	11,794.31	14,776.41	14,776.41	10,787.79	10,385.85	6,081.55
General expenses.....	5,254.82	5,844.68	5,877.46	5,166.08	7,637.34	1,804.90
Total railway operating expenses.....	48,114.20	35,026.12	45,838.83	33,395.08	71,222.50	20,513.69

EXHIBIT 9

Charles City Western Railway Co.—Comparative general balance sheet for the years ended December 31, 1926 to 1930, inclusive, and for eight months of 1931

	1926	1927	1928	1929	1930	1931 (8 months, Jan. 1 to Aug. 31)
ASSETS						
Investments: Road and equipment.....	\$689,944.37	\$694,007.37	\$702,684.21	\$705,347.60	\$700,885.28	\$701,210.28
Current assets:						
Special deposits.....	15,011.61	19,901.56	35,237.10	21,733.12	59,546.18	15,721.83
Miscellaneous accounts receivable.....	13,528.00	13,528.00	530.00	1,008.34	683.65	428.10
Materials and supplies.....	13,555.03	9,507.68	7,866.60	5,700.80	6,865.98	6,978.40
Other current assets.....				668.86		972.99
Total.....	29,082.35	43,026.73	43,724.33	32,109.19	67,035.81	23,890.32
Unadjusted debits:						
Insurance premiums.....	395.80	397.75	412.78	404.71	505.09	893.57
Other unadjusted debits.....	1,367.35	1,284.27	831.01	369.40		6,837.35
Discount on funded debt.....						7,780.92
Total.....	1,904.35	1,682.02	1,244.39	714.11	605.09	7,780.92
Grand total.....	725,331.07	738,716.12	747,652.83	738,170.90	768,426.18	732,741.52
LIABILITIES						
Stock: Capital stock (common).....	260,400.00	260,400.00	260,400.00	260,400.00	260,400.00	260,400.00
Government grants: Grants in aid of construction.....	126,107.75	126,107.75	126,107.75	126,107.75	126,107.75	126,107.75
Long-term debt: Funded debt unmatured.....	322,968.40	314,415.15	265,348.91	237,682.31	255,382.33	255,200.00
Current liabilities:						
Miscellaneous accounts payable.....	3,403.39	5,080.97	10,640.27	8,264.84	3,100.48	8,632.47
Matured interest payable.....	18,967.45	28,501.36	36,895.96	42,960.41	65,465.74	13,707.54
Accrued interest unpaid.....	5,374.20	37.22	20.07	1.00	7.02	2,392.00
Other current liabilities.....	1,530.10	350.72	14,148.60	2,758.65	8,624.28	
Total.....	29,458.18	33,970.28	61,714.80	53,998.90	77,227.52	24,932.01
Deferred liabilities: Paying assessments.....	827.32	622.40	466.83	311.26	155.69	
Unadjusted credits:						
Tax liability.....	6,010.69	7,066.22	8,343.95	6,639.16	6,798.97	7,507.68
Accrued depreciation.....	29,000.87	31,778.39	34,555.91	36,459.64	39,228.16	41,073.84
Total.....	35,011.56	38,844.61	42,899.86	43,088.80	46,027.13	48,581.52
Corporate surplus: Profit and loss (debit balance).....	80,872.14	65,633.07	39,283.22	33,428.12	26,874.24	16,470.76
Grand total.....	725,331.07	738,716.12	747,652.83	738,170.90	768,426.18	732,741.52

EXHIBIT 10

Charles City Western Railway Co.—Comparative income statement for the years ended December 31, 1926 to 1930, inclusive, and for eight months of 1931

	1926	1927	1928	1929	1930	1931 (8 months, Jan. 1 to Aug. 31)
Operating income:						
Railway operating revenues.....	\$103,108.37	\$115,559.84	\$137,985.86	\$161,315.50	\$155,901.40	\$78,877.85
Railway operating expenses.....	66,022.57	77,337.19	94,251.15	134,603.05	127,319.14	53,883.63
Net operating revenue.....	37,085.80	38,222.65	43,734.71	26,712.45	28,582.26	24,994.22
Taxes assignable to railway operations.....	6,010.69	7,066.22	8,343.95	6,689.46	6,798.97	4,300.00
Operating income.....	30,475.11	31,156.43	35,390.76	20,022.99	21,783.29	20,694.22
Nonoperating income: Income from unfunded securities.....			407.05	265.40		
Gross income.....	30,475.11	31,156.43	35,797.81	20,288.39	21,783.29	20,694.22
Deductions from gross income:						
Miscellaneous rents.....	12.00	12.00	12.00	12.00	12.00	6.00
Interest on funded debt.....	19,446.06	19,446.06	17,012.56	15,487.56	15,357.56	10,246.06
Interest on unfunded debt.....	430.97	97.81	84.08	113.66	350.10	80.84
Amortization of discount.....						115.88
Total.....	19,882.97	19,546.81	17,111.58	15,688.66	15,719.60	10,444.73
Income balance to profit and loss.....	10,592.14	11,609.62	18,686.23	4,700.73	6,063.69	10,144.49

EXHIBIT 11

Charles City Western Railway Co.—Comparative railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for eight months of 1931

	1926	1927	1928	1929	1930	1931 (8 months, Jan. 1 to Aug. 31)
OPERATING REVENUES						
Revenue from transportation:						
Passenger.....	\$4,336.47	\$3,199.53	\$2,509.99	\$2,691.77	\$1,201.13	\$457.77
Freight.....	25.11	15.47	11.38	11.23	3.84	10.77
Mail.....	482.02	566.82	689.84	683.56	728.66	708.49
Milk.....	488.31	511.75	440.00	514.40	154.00	180.00
Freight and mail.....	94,893.33	108,911.53	131,942.56	152,514.43	149,833.09	73,635.17
Switching.....	126.00	117.00	177.75	121.50	90.00	42.75
Total.....	100,127.20	113,006.35	135,366.02	156,027.91	151,901.72	74,897.70
Revenue from other railway operations:						
Storage.....		13.77	63.18	93.26	10.43	21.15
Freight.....	488.30	274.00	319.00	819.00	287.00	134.00
Rent of equipment.....		2,095.39	1,980.33	4,106.00	3,287.00	3,590.00
Rent of buildings and other property.....	2,272.87	239.33	248.33	334.33	415.25	226.00
Total.....	2,981.17	2,553.49	2,619.84	5,287.59	3,998.68	3,980.15
Total operating revenues.....	103,108.37	115,559.84	137,985.86	161,315.50	155,901.40	78,877.85
OPERATING EXPENSES						
Operating expenses:						
Ways and structures.....	23,560.46	24,146.58	28,988.26	69,107.83	64,186.63	17,039.56
Equipment.....	8,218.19	6,194.73	6,675.80	6,969.24	6,443.57	3,783.89
Power.....	5,000.00	5,000.00	5,000.00	5,000.00	5,446.05	3,362.95
Conducting transportation.....	11,899.10	11,740.26	13,856.12	13,813.89	15,144.50	2,023.00
Trackage.....	15,298.79	27,831.62	36,704.22	34,571.74	32,526.58	15,201.37
General and miscellaneous.....						53,988.63
Total.....	66,022.57	77,337.19	94,251.15	134,603.05	127,319.14	53,883.63

EXHIBIT 12

Chicago & Western Indiana Railroad Co.—Comparative general balance sheet for years ended December 31, 1926 to 1930, inclusive, and for eight months of 1931

	1926	1927	1928	1929	1930	1931 (8 months, to Aug. 31)
ASSETS						
Investments:						
Investment in road and equipment.....	\$77,080,254.78	\$79,153,353.87	\$80,179,331.18	\$80,760,350.66	\$81,267,943.75	\$81,368,854.51
Improvement on leased railway property.....	3,498.70	9,498.70	9,498.70	9,498.70	9,498.70	9,498.70
Sinking funds.....	84,599.73	81,990.83	28,868.77	28,713.57	1,434.30	636.06
B-1.....	1,871,499.73	2,124,990.83	2,424,898.77	2,740,713.57	3,045,634.30	3,304,636.06
B-2.....	1,776,000.00	2,043,000.00	2,398,000.00	2,713,000.00	3,044,000.00	3,304,000.00
Deposits in lieu of mortgaged property sold.....	25,844.66	16,968.14	17,543.87	28,653.79	36.70	34,640.45
Miscellaneous physical property.....	1,443,943.63	1,444,907.38	1,443,132.28	1,443,294.83	1,444,046.46	1,444,890.56
Investments in affiliated companies:						
A. Stocks.....				100.00	100.00	100.00
D. Advances.....				800.00	3,200.00	4,800.00
Total investments.....	78,756,041.40	80,708,718.92	81,676,374.80	82,268,371.55	82,726,862.91	82,863,320.30
Current assets:						
Cash.....	524,661.63	326,448.60	553,530.96	659,273.17	397,690.33	350,630.00
Special deposits.....	3,752,736.36	2,211,126.23	1,714,121.92	1,572,563.72	1,175,155.62	1,274,161.50
Traffic and car service balances receivable.....	27,631.26	24,313.66	29,562.28	22,703.07	15,155.62	16,217.32
Net balances receivable from agents and conductors.....	1,605.40	1,022.56	866.41	331.71	5.46	5.46
Miscellaneous accounts receivable.....	898,488.38	793,883.85	551,458.03	689,092.96	545,690.97	423,139.68
Interest and dividends receivable.....	963,040.50	694,065.95	453,638.58	437,232.59	400,592.18	385,067.44
Rents receivable.....	4,057.25	4,057.25	4,057.25	4,057.25	4,057.25	80.0
Total current assets.....	6,172,240.78	4,084,938.10	3,307,175.43	3,579,273.47	3,001,885.34	2,444,434.34
Deferred assets:						
Warranted advances.....	2,561.62	2,561.62	2,561.62	2,561.62	2,561.62	2,561.62
Other deferred assets.....	1,023.90	1,000.00	9,545.95	11,711.90	6,311.90	5,311.90
Total deferred assets.....	3,585.52	3,561.62	12,107.57	14,273.52	8,873.52	7,873.52
Unadjusted debits:						
Rents and insurance premiums paid in advance.....	1,806.31	1,052.63	2,027.51	2,945.20	1,943.87	1,791.11
Deposits.....	1,499,302.21	1,490,474.63	1,377,547.81	1,328,694.81	1,279,643.81	1,267,831.75
Other unadjusted debits.....	2,112,068.99	1,699,388.77	1,934,695.55	2,855,287.17	3,017,339.76	3,100,413.56

Securities issued or assumed—						
Unpledged.....	240,000.00	240,000.00	240,000.00	240,000.00	240,000.00	240,000.00
Pledged.....	10,388,000.00	10,202,000.00	9,847,000.00	9,533,000.00	9,201,000.00	8,941,000.00
Total unadjusted debits.....	3,613,117.51	3,150,956.63	3,314,270.87	3,810,827.18	4,298,927.43	4,370,084.42
Total.....	88,544,985.21	87,918,174.67	88,309,928.67	89,478,745.72	90,036,549.20	89,685,664.58
LIABILITIES						
Stock:						
Common capital stock.....	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
B-1. Total book liability at close of year.....	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
Long-term debt:						
Funded debt unadjusted.....	74,090,066.67	73,803,466.67	73,429,866.67	73,097,266.67	72,746,666.67	72,696,400.00
B-1. Total book liability at close of year.....	86,483,066.67	86,288,466.67	85,914,866.67	85,582,266.67	85,231,666.67	84,953,400.00
B-2. Respondent's holdings included in B-1.....	12,403,000.00	12,435,000.00	12,485,000.00	12,485,000.00	12,485,000.00	12,257,000.00
Non-negotiable debt to affiliated companies:						
B. Open accounts.....	3,116,802.92	3,221,816.69	3,368,800.78	3,526,695.79	3,790,236.39	3,864,510.25
Total long-term debt.....	77,206,869.59	77,025,283.36	76,798,667.45	76,623,962.46	76,536,903.06	76,560,910.25
Current liabilities:						
Loans and bills payable.....	3,000.00	3,000.00	3,000.00	233,000.00	664,830.18	701,100.00
Traffic and car service balances payable.....	1,039,872.18	571,087.58	672,357.11	678,858.45	490,535.94	989,372.52
Miscellaneous accounts payable.....	18,322.85	10,837.26	14,517.36	25,715.63	24,055.94	71.64
Interest matured unpaid—amount unclaimed.....	1,000,168.77	1,004,756.28	1,005,261.28	1,007,063.78	1,010,426.27	921,156.69
Funded debt matured unpaid.....	9,500.00	13,500.00	4,500.00	9,500.00	1,500.00	---
Unmatured dividends declared.....	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00	---
Unmatured interest accrued.....	430,073.69	421,297.00	414,602.26	409,278.78	402,442.59	488,294.24
Unmatured rents accrued.....	4,067.25	4,067.25	4,067.25	4,067.25	4,067.25	---
Other current liabilities.....	4,462.50	4,062.50	2,073.68	1,896.91	941.44	---
Total current liabilities.....	2,602,877.34	2,121,724.34	2,208,426.60	2,471,107.81	3,179,198.70	2,701,296.34
Deferred liabilities:						
Other deferred liabilities.....	142,192.87	77,764.98	49,519.63	46,992.42	52,923.21	45,828.22
Unadjusted credits:						
Tax liability.....	794,721.28	764,787.49	790,092.65	1,453,840.60	1,628,928.84	1,461,183.07
Operating reserves.....	---	---	---	---	---	6,558.88
Accrued depreciation—						
Road.....	5,060.00	---	---	---	---	---
Equipment.....	1,292,157.86	1,361,433.17	1,421,436.08	1,513,872.61	1,599,294.65	1,667,736.00
Other unadjusted credits.....	966,016.69	886,635.22	908,696.27	828,882.51	871,537.46	836,430.94
Total unadjusted credits.....	2,997,975.82	2,972,805.88	3,120,225.00	3,766,545.81	3,999,670.95	3,971,913.89

Chicago & Western Indiana Railroad Co.—Comparative general balance sheet for years ended December 31, 1926 to 1930, inclusive, and for eight months of 1931—Continued

	1926	1927	1928	1929	1930	1931 (8 months, to Aug. 31)
LIABILITIES—continued						
Corporate surplus:						
Additions to property through income and surplus.....	\$173,130.69	\$239,008.26	\$508,003.45	\$762,370.35	\$970,539.03	\$1,102,090.53
Funded debt retired through income and surplus.....	54,532.26	54,532.26	54,532.26	54,532.26	54,532.26	54,532.26
Profit and loss.....	227,712.95	293,900.52	557,585.71	816,932.61	1,025,111.29	1,156,681.70
Total corporate surplus.....	1,173,094.90	1,113,148.99	1,138,089.99	1,541,947.22	1,267,583.28	1,405,715.87
Total.....	88,544,983.21	87,918,174.67	88,309,928.67	89,478,746.72	90,036,546.20	89,685,664.88

EXHIBIT 13

Chicago and Western Indiana Railroad Co.—Comparative Income Account for years ended December 31, 1926 to 1930, inclusive, and for eight months of 1931

	1926	1927	1928	1929	1930	1931 (8 months, to Aug. 31)
Operating income:						
Railway operating revenues.....	\$372,290.38	\$392,549.69	\$238,434.56	\$216,037.24	\$174,018.36	\$90,118.41
Railway operating expenses.....	545,334.37	445,698.46	404,399.23	330,484.35	319,375.78	171,678.32
Net revenue from railway operations.....	1,173,094.90	1,113,148.99	1,145,084.07	1,144,447.11	1,145,337.42	1,81,539.91
Railway tax accruals.....	646,290.44	638,846.87	637,023.60	713,418.43	747,746.47	684,971.55
Total operating income.....	1,819,325.43	1,752,005.64	1,812,985.27	1,827,865.54	1,893,106.89	1,796,531.46
Non-operating income:						
Rent from passenger-train cars.....	33,487.38	25,800.21	12,643.19	9,410.62	8,333.06	2,049.35
Rent from passenger-train cars.....	14,062.97	11,542.54	7,074.09	6,137.90	17,862.50	71.60
Joint-facility rent income.....	338,529.16	2,392,763.70	2,434,980.08	2,832,643.26	2,603,495.48	1,982,741.04
Income from lease of road.....	2,044,728.51	2,002,261.04	2,073,946.29	2,116,970.61	2,133,981.04	1,413,284.13
Miscellaneous rent income.....	49,904.46	47,702.93	47,254.69	50,988.03	53,501.82	36,881.26
Miscellaneous non-operating physical property.....	12,852.48	9,398.11	17,152.74	24,288.87	23,789.44	14,835.55

	1926	1927	1928	1929	1930	1931 (8 months, to Aug. 31)
Income from unfunded securities and accounts.....	88,010.56	15,841.65	8,139.41	16,453.49	11,134.03	3,958.68
Miscellaneous income.....	12,85	830.93	10.25	21.25	32.25	47.54
Total non-operating income.....	4,886,936.20	4,885,900.36	4,677,417.02	4,821,676.81	4,853,489.60	3,363,370.64
Gross income.....	4,067,610.77	3,833,894.72	3,864,431.75	3,993,811.27	3,960,382.71	2,598,839.18
Deductions from gross income:						
Hire of freight cars (debit balance).....	6,938.83	18,816.46	8,595.08	4,526.32	2,186.88	1,102.73
Rent for locomotives.....	4,815.77	1,338.61	53.64	47.06	2,253.20	15.28
Rent for passenger-train cars.....	14,062.97	13,484.28	13,404.73	14,751.61	15,023.29	8,531.50
Rent for work equipment.....	48,510.01	48,510.01	48,510.01	116,010.00	128,458.26	96,239.12
Joint-facility rents.....	14,238.21	9,100.61	7,507.34	8,100.65	3,296.56	378.75
Miscellaneous rents.....	3,274,799.98	3,201,397.18	3,231,012.30	3,308,866.30	3,288,451.15	1,440,601.89
Interest on unfunded debt.....	318.83	817.18	3,330.98	1,822.26	16,390.78	2,190,890.99
Amortization of discount on funded debt.....	33,506.68	38,824.82	67,280.95	48,180.55	48,534.32	11,222.68
Miscellaneous income charges.....	18,162.96	17,785.63	17,688.22	20,756.93	10,341.49	33,082.60
Total deductions from gross income.....	3,423,292.73	3,353,577.38	3,402,545.36	3,539,093.77	3,530,252.37	2,351,744.78
Net income.....	644,318.04	480,317.34	461,886.39	464,804.50	430,130.34	247,094.40
						Debit.
						Credit.

EXHIBIT 14

Chicago & Western Indiana Railroad Co.—Railway operating revenues and expenses for years ended December 31, 1928 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	1931 (8 months, to Aug. 31)
OPERATING REVENUES						
Passenger.....	\$80,470.54	\$99,490.65	\$64,983.22	\$62,502.77	\$55,188.85	\$31,900.07
Excess baggage.....	75	60	55	30	30	30
Express.....	42,287.82	44,408.91	30,242.86	21,821.62	16,338.46	8,475.83
Overhaul passenger train.....	200.00	200.00	200.00	200.00	200.00	200.00
Switching.....	197,437.97	167,091.20	128,232.27	109,878.21	88,068.36	40,832.26
Total rail-line transportation revenue.....	320,517.08	281,202.36	223,809.00	194,502.90	157,830.97	81,517.85
Station, train, and boat privileges.....	12,966.10	17,832.65	17,240.88	17,038.81	15,543.57	8,336.73
Shared room.....	43,397.15	41,098.88	37,927.48	38,142.98	32,096.94	17,746.82
Express baggage.....	1,865.67	10,128.28	8,122.38	7,883.96	5,633.50	2,787.50
Demurrage.....	19,718.07	19,890.56	8,976.71	2,998.97	8,823.00	6,684.60
Power.....	24,535.97	24,214.08	21,895.46	18,047.04	18,462.04	12,224.62
Rents of buildings and other property.....	3,791.14	2,223.30	1,923.19	2,057.08	1,865.81	621.74
Miscellaneous.....	126,079.10	126,478.45	104,635.12	92,213.84	77,364.86	42,283.41
Total incidental operating revenues.....	74,290.80	75,221.12	69,909.56	70,679.59	61,177.47	33,682.85
Joint facility (debit).....	372,290.38	332,548.69	293,434.56	216,037.24	174,018.36	90,118.41
Total railway operating revenues.....	28,517.50	22,874.79	19,284.00	18,145.25	13,985.88	24,082.29
OPERATING EXPENSES						
Total maintenance of way and structures.....	28,946.73	27,481.28	21,601.28	20,664.64	20,469.03	11,927.41
Total maintenance of equipment.....	286,711.71	197,603.71	187,603.71	127,223.47	124,688.28	68,282.78
Total traffic expenses.....	712.02	712.02	185,807.97	172,742.77	163,955.48	94,243.36
Total transportation—rail line.....	211,865.42	191,013.25	185,807.97	172,742.77	163,955.48	94,243.36
Total transportation—water line.....	19,723.83	19,890.56	18,047.04	2,057.08	1,865.81	621.74
Total miscellaneous operations.....	8,305.66	8,305.66	9,203.13	9,577.41	9,965.02	7,143.77
Total general expenses.....	546,334.37	445,088.46	404,396.23	330,464.35	310,375.78	171,078.32
Grand total railway operating expenses.....	874,650.15	763,572.31	608,682.23	502,609.60	474,745.66	265,161.61

EXHIBIT 15

Des Moines & Central Iowa Railroad—Comparative general balance sheet for the years ended December 31, 1928 to 1930, inclusive, and for eight months ended August 31, 1931

Line	(b-1) Total book assets at close of year.	(b-2) Respondent's own issue included in (b).	1926	1927	1928	1929	1930	1931 (8 months ending Aug. 31)
ASSETS								
1 Investments:								
2 Road and equipment.....			\$3,420,919.29	\$3,420,199.75	\$3,412,475.18	\$3,407,143.00	\$3,408,837.69	\$3,402,152.12
3 Sinking funds.....			300.00	300.00	300.00	300.00	300.00	300.00
4 Deposit in lieu of mortgaged property.....	\$300.00		1,651.17	1,651.17	1,651.17	1,651.17	1,651.17	1,651.17
5 Miscellaneous physical property.....								
6 Investment in affiliated companies—								
7 A. Stocks.....								
8 B. Bonds.....								
9 C. Notes.....								
10 D. Advances.....								
11 Other investments—								
12 A. Stocks.....								
13 B. Bonds.....								
14 C. Notes.....								
15 D. Advances.....								
16 E. Miscellaneous.....								
17 Total investments.....			3,423,371.46	3,422,651.92	3,414,927.35	3,409,595.17	3,411,289.86	3,404,604.29
18 Current assets:								
19 Cash.....			41,969.41	33,971.26	71,089.21	101,993.71	78,837.01	47,741.63
20 Special deposits.....			856.25	293.75	290.00	290.00	290.00	4,107.00
21 Loans and notes receivable.....			4,468.13	4,468.13	4,468.13	4,468.13	4,468.13	4,468.13
22 Material and supplies.....			39,578.48	39,578.48	39,578.48	39,578.48	39,578.48	41,239.49
23 Interest, dividends, and rents receivable.....			7,546.01	8,726.71	8,702.10	8,489.87	16,526.24	17,880.83
24								
Year 1927, line 20 (b-1).....	\$293.75	Year 1928, line 39						795,000.00
Year 1928, line 20 (b-1).....	200.00	Year 1931, line 20 (b-1).....						4,107.00

Des Moines & Central Iowa Railroad—Comparative general balance sheet for the years ended December 31, 1928 to 1930, inclusive, and for eight months ended August 31, 1931—Continued

Line		1926	1927	1928	1929	1930	1931 (8 months ending Aug. 31)
ASSETS—Continued							
25	Current assets—Continued.						
26	Other current assets.						
27	Total current assets.	\$91,228.29	\$87,600.03	\$113,181.22	\$151,703.96	\$146,448.80	\$118,632.08
28	Deferred assets:						
29	Insurance and other funds.						
30	Other deferred assets.						
31	Total deferred assets.						
32	Unadjusted debits:						
33	Rents and insurance premiums paid in advance.	937.59	4,200.36	3,440.27	984.85	461.82	2,516.79
34	Discount and expense debenture bonds.				99,000.00	99,000.00	99,000.00
35	Discount on funded debt.	9,055.28	6,965.60	4,875.92	66,686.24	64,596.56	63,203.44
36	Property abandoned chargeable to operating expenses.						
37	Other unadjusted debits.	37,607.32	33,509.18	31,571.95	31,772.48	983.19	920.09
	Par value of holdings at close of year.						
	\$966,000						
38	Securities issued or assumed, unpledged.						
39	Securities issued or assumed, pledged.						
40	Total unadjusted debits.	47,600.19	44,675.14	39,888.14	198,443.57	105,041.57	105,046.32
41	Grand total.	3,562,199.94	3,554,927.09	3,567,996.71	3,709,802.70	3,722,780.23	3,685,882.09

Line		1926	1927	1928	1929	1930	1931 (8 months ending Aug. 31)
LIABILITIES							
1	Stock:						
2	Capital stock.	1,160,000.00	1,160,000.00	1,160,000.00	1,160,000.00	1,160,000.00	1,160,000.00
3	Stock liability for conversion.						
4	Premium on capital stock.						
5	Total stock.	1,160,000.00	1,160,000.00	1,160,000.00	1,160,000.00	1,160,000.00	1,160,000.00
6	Government grants:						
7	Grants in aid of construction.						
8	Long-term debt:						
9	Funded debt unmatured.						
10	Receivers certificates.						
11	Notes payable to affiliated companies:						
12	A. Notes.	283,823.31	283,823.31	283,823.31	275,723.31	275,723.31	275,723.31
13	B. Open accounts.						
14	Total long-term debt.	1,479,823.31	1,479,823.31	1,479,823.31	1,479,823.31	1,479,823.31	1,479,823.31
15	Current liabilities:						
16	Loans and notes payable.	102,500.00	102,500.00	102,500.00	102,500.00	102,500.00	102,500.00
17	Audited accounts and wages payable.	14,895.25	9,228.39	16,384.53	12,142.69	12,142.69	12,142.69
18	Miscellaneous accounts payable.	75,812.36	77,503.57	96,250.03	103,021.80	91,823.66	95,243.36
19	Matured interest, dividends and rents unpaid.	83,356.25	97,703.75	112,700.00	127,700.00	142,700.00	150,300.00
20	Matured funded debt unpaid.	250,000.00	250,000.00	250,000.00	250,000.00	350,000.00	350,000.00
21	Matured interest, dividends, and rents payable.	86,691.28	191,723.99	290,827.47	406,627.53	511,141.69	583,786.63
22	Other current liabilities.						
23	Total current liabilities.	613,255.14	728,749.70	874,692.03	1,101,992.02	1,210,625.49	1,291,937.37
24	Deferred liabilities:						
25	Liabilities to provident funds.						
26	Other deferred liabilities.	18,103.82	13,901.61	8,849.52	5,451.35	3,641.73	3,580.73
27	Total deferred liabilities.	18,103.82	13,901.61	8,849.52	5,451.35	3,641.73	3,580.73
28	Unadjusted credits:						
29	Tax liability.	25,539.23	22,495.25	22,895.00	26,598.23	33,064.82	35,348.54
30	Accrued interest on debt.						
31	Insurance and casualty reserves.	47,871.24	41,844.24	41,951.05	42,162.84	41,158.67	36,401.65
32	Operating reserve.	664,082.55	734,646.58	801,096.56	870,533.21	918,103.17	963,216.31
33	Accrued depreciation road and equipment.						
34							
35							

Des Moines & Central Iowa Railroad—Comparative general balance sheet for the years ended December 31, 1928 to 1930, inclusive, and for eight months ended August 31, 1931—Continued

Line		1926	1927	1928	1929	1930	1931 (8 months ending Aug. 31)
LIABILITIES—continued							
36	Unadjusted credits—Continued						
37	Reserve for amortization of franchises—physical property	\$19,702.48	\$19,517.75	\$22,866.50	\$23,321.14	\$28,606.14	\$33,422.88
38	Other unadjusted credits	757,195.80	818,503.82	888,840.01	964,515.42	1,020,932.80	1,067,389.38
39	Total unadjusted credits						
40	Corporate surplus:						
41	Additions to property through surplus						
42	Funded debt retired through surplus						
43	Sinking fund reserves						
44	Miscellaneous fund reserves						
45	Total appropriated surplus	1,466,178.13	1,646,051.35	1,844,178.16	1,014,879.40	1,215,143.10	1,379,748.10
46	Profit and loss debit balance	1,466,178.13	1,646,051.35	1,844,178.16	1,014,879.40	1,215,143.10	1,379,748.10
47	Total corporate surplus						
48	Grand total	3,562,196.94	3,554,927.09	3,567,966.71	3,796,802.70	3,722,780.23	3,685,882.69

Year, 1929, line 11 (b-2)..... 795,000.00

1 Debit balance.

EXHIBIT 16

Des Moines & Central Iowa Railroad—Comparative statement of income accounts for the years ended December 31, 1928 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ending Aug. 31, 1931
Operating income:						
Railway operating revenues	\$476,913.38	\$420,159.52	\$423,368.92	\$462,938.58	\$386,792.68	\$191,471.63
Railway operating expenses	514,898.69	454,924.33	473,544.48	492,244.16	430,843.64	252,818.42
Net revenue railway operations	137,985.31	134,764.81	150,175.56	119,285.58	141,050.96	161,846.79
Net operating revenue	137,985.31	134,764.81	150,175.56	119,285.58	141,050.96	161,846.79
Taxes assignable to railway operations	22,800.00	22,800.00	22,800.00	23,306.19	33,683.31	15,848.00
Operating income	160,785.31	157,564.81	172,975.56	144,585.77	174,116.47	180,186.79
Non-operating income:						
Income from unfunded securities and accounts	1,306.79	889.02	1,206.63	1,639.73	1,795.66	691.02
Miscellaneous income	283.32	545.60	117.27	453.78	250.99	206.39
Total non-operating income	1,590.11	1,434.62	1,323.90	2,113.51	2,046.65	900.41
Gross income	159,245.20	156,130.19	171,648.06	142,472.26	172,096.82	179,286.38
Deductions from gross income:						
Interest on funded debt	98,902.25	98,902.25	98,933.48	103,630.06	103,614.22	69,054.90
Interest on unfunded debt	22,207.25	21,876.84	21,869.72	21,850.44	21,850.44	14,054.90
Amortization of discount on funded debt	2,816.23	2,816.23	2,816.23	2,816.23	2,816.23	1,393.12
Miscellaneous debits	816.23	874.18	1,083.72	1,200.40	1,200.40	1,658.60
Total deductions from gross income	124,015.41	123,743.03	123,706.15	128,120.98	128,064.30	85,206.62
Income balance transferred to profit and loss	138,260.61	179,873.22	196,354.81	170,593.24	120,124.12	164,463.00

1 Debit balance.

EXHIBIT 17

Des Moines & Central Iowa Railroad—Comparative statement of operating revenues and expenses for the years ended December 31, 1928 to 1930, inclusive, and for eight months ended August 31, 1931

	1928	1927	1928	1929	1930	1931 (8 months ending Aug. 31, 1931)
OPERATING REVENUES						
Revenue from transportation:						
Freight revenue.....	\$78,885.28	\$98,028.92	\$98,407.72	\$95,095.78	\$45,103.54	\$18,928.01
Passenger revenue.....	788.32	209.14	140.64	188.63	103.18	24.06
Parlor, sleeping, dining, and special car revenue.....	768.32	903.00	903.00	903.76	40.29	1,370.11
Mail revenue.....	902.46	903.00	903.00	903.76	3,922.56	1,810.75
Express revenue.....	3,606.95	3,974.70	3,591.89	4,120.40	883.03	1,591.87
Milk revenue.....	1,004.44	1,197.84	658.37	1,105.16	295,185.04	128,489.46
Freight revenue.....	309,741.63	278,000.15	295,970.33	320,573.09	18,072.20	8,346.20
Freight revenue.....	22,020.25	21,900.99	18,074.44	19,088.48	608.85	993.15
Miscellaneous transportation revenue.....	544.50	21,004.35	18,871.20	740.70	336,298.50	159,400.05
Total revenue from transportation.....	417,642.63	375,623.49	378,617.61	411,879.50	2,297.84	1,675.22
Revenue from other railway operations:						
Station and car privileges.....	609.43	660.53	684.64	888.90	2,297.84	1,675.22
Parcel-room receipts.....	251.94	160.46	132.15	121.91	78.45	23.36
Demurrage.....	2,086.46	1,885.00	1,726.00	2,612.00	2,116.00	885.73
Rent of track and facilities.....	12,691.45	6,870.85	3,345.97	1,125.00	2,700.00	1,800.00
Rent of equipment.....	322.00	403.00	307.50	2,320.52	1,022.00	184.45
Rent of buildings and other property.....	43,406.47	35,111.20	38,553.02	1,447.50	1,987.50	1,557.50
Power.....	59,270.75	44,536.03	44,751.31	51,079.08	43,083.39	25,814.52
Miscellaneous.....	476,913.35	420,159.52	423,368.92	462,938.58	389,792.68	191,471.63
Total operating revenues.....	114,682.36	83,580.93	101,894.94	118,777.77	103,732.81	58,972.91
OPERATING EXPENSES						
Way and structures.....	59,513.00	53,242.35	42,807.84	42,234.18	35,206.70	22,013.11
Equipment.....	80,673.75	75,113.93	74,145.53	69,938.53	64,443.55	37,465.91
Power.....	132,247.26	118,542.09	118,644.39	119,388.37	112,076.10	66,751.69
Conducting transportation.....	11,761.02	11,844.97	11,441.89	10,473.24	9,411.18	6,644.05
General and miscellaneous.....	116,000.00	112,399.43	124,609.39	121,432.07	105,972.91	60,870.72
Transportation for investment.....	None.	None.	None.	None.	None.	None.
Total.....	514,898.09	454,924.33	473,544.48	482,244.16	430,843.64	252,818.42

EXHIBIT 18

Fernwood, Columbia & Gulf Railroad Co.—Comparative general balance sheet for the years ended December 31, 1928 to 1930, inclusive, and for eight months ended August 31, 1931

	1928	1927	1928	1929	1930	1931 (8 months to Aug. 31, 1931)
ASSETS						
Investments:						
Investment in road and equipment.....	\$869,423.48	\$894,442.01	\$870,649.30	\$876,311.86	\$874,216.11	\$879,572.10
Miscellaneous physical property.....	25,369.85	20,000.10	20,000.10	20,177.67	21,468.96	22,500.00
Other investments, stocks.....	894,793.33	914,443.11	890,655.40	896,489.53	895,685.09	902,006.31
Total investments.....	22,945.49	6,297.56	8,464.82	23,187.03	24,192.53	3,874.23
Current assets:						
Cash.....	310.00	1,260.00	638.10	1,673.11	1,412.53	852.00
Loans and bills receivable.....	7,001.90	15,253.31	4,108.69	5,861.59	1,432.43	1,960.31
Traffic and car service balances receivable.....	919.16	19,800.00	4,788.54	3,739.72	1,330.86	1,896.13
Net balance receivable from agents and conductors.....	5,275.95	3,094.35	9,508.05	11,301.42	14,147.33	10,068.39
Miscellaneous receivables.....	None.	13,271.82	None.	None.	None.	None.
Material and supplies.....	36,452.50	25,274.17	27,994.01	43,863.26	45,623.98	20,831.06
Other current assets.....	1,119.88	690.80	100.03	1,025.82	693.89	428.20
Total current assets.....	4,846.55	3,701.63	2,556.71	1,411.79	266.87	3,141.56
Unadjusted debits:						
Assets and insurance premiums paid in advance.....	32,939.91	7,714.01	2,851.80	5,526.18	10,748.64	3,660.76
Debits.....	38,926.34	12,112.44	5,508.54	7,993.79	11,709.40	926,407.13
Other unadjusted debits.....	970,172.17	981,834.72	924,147.95	948,316.55	933,018.47	926,407.13
Total unadjusted debits.....						
Grand total.....						

Fernwood, Columbia & Gulf Railroad Co.—Comparative general balance sheet for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931—Continued

	1926	1927	1928	1929	1930	8 months, to Aug. 31, 1931
LIABILITIES						
Stock: Capital stock.....	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
Long-term debt: Funded debt unmatured.....	620,000.00	615,000.00	610,000.00	610,000.00	610,000.00	608,000.00
Current liabilities:						
Loans and bills payable.....	13,500.00	13,500.00	13,500.00	1,346.40	4,244.60	185.80
Traffic and car service balances payable.....	8,156.95	7,555.47	8,273.95	12,892.35	7,057.51	4,787.68
Miscellaneous accounts payable.....	13,302.05	6,009.92	9,108.63	60,248.34	61,007.60	60,023.94
Miscellaneous accounts receivable.....	17,348.86	17,108.80	29,348.86	60,248.34	108,147.90	108,147.90
Unmatured interest accrued.....	5,104.10	5,104.10	5,211.97	5,150.00	5,100.00	28,980.20
Other current liabilities.....		486.02				
Total current liabilities.....	89,855.95	111,807.98	130,383.37	144,441.05	177,558.57	194,671.48
Deferred liabilities: Liability for provident funds.....			6,498.88	6,337.56	6,634.70	6,763.20
Unadjusted credits:						
Tax liability.....	16,334.10	2,577.53	839.74	1,400.00	700.00	3,321.76
Operating reserves.....	3,908.04	6,087.87	100.00			140.80
Accrued depreciation, road.....	93,270.12	95,828.99	106,960.67	119,106.44	122,877.77	125,860.33
Accrued depreciation, equipment.....	43,524.49	52,950.85	33,132.94	32,486.63	33,215.63	33,967.00
Other unadjusted credits.....	6,839.93	6,186.77	1,686.70	8,734.55	924.20	5.68
Total unadjusted credits.....	168,876.68	163,637.01	148,702.05	161,817.62	157,720.60	163,265.57
Corporate surplus: Additions to property through income and surplus.....			1,674.36	1,674.36	4,579.54	4,579.54
Profit and loss (debit).....	8,500.00	38,690.27	73,110.71	76,154.01	108,474.94	190,812.66
Total corporate surplus (debit).....	8,500.00	38,690.27	71,436.35	74,479.65	98,895.40	146,233.42
Grand total.....	970,172.17	961,834.72	924,147.95	948,316.58	953,018.47	926,497.13

Fernwood, Columbia & Gulf Railroad Co.—Comparative income account for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months, to Aug. 31, 1931
Operating income:						
Railway operating revenues.....	\$98,372.33	\$203,883.55	\$150,540.35	\$168,033.79	\$129,682.33	\$54,388.62
Railway operating expenses.....	264,634.15	158,879.64	124,843.78	117,139.06	114,339.89	66,660.18
Net revenue from railway operation.....	103,738.18	45,003.91	25,696.57	50,894.73	15,342.44	112,291.56
Railway tax accruals.....	16,363.16	9,954.34	1,384.26	3,704.26	3,244.36	2,620.17
Uncollectible railway revenues.....	4.85	73.68	17.22	64.39	73.80	88.70
Total railway operating income.....	87,370.17	34,975.89	23,300.43	47,064.14	12,019.28	115,000.43
Nonoperating income:						
Rent from locomotives.....	503.35	407.52	269.50	760.00	10.50	600.00
Rent from work equipment.....	119.90	5.00				168.00
Joint facility rent income.....	1,337.27	1,408.06	1,331.21	1,491.76	1,162.38	284.10
Miscellaneous nonoperating physical property.....	10.06	.50			1.18.00	500.16
Income from funded securities.....						
Income from unsecured securities and accounts.....	2.01					
Miscellaneous income.....	2,179.50	1,891.08	1,600.71	5,079.76	1,651.29	1,552.26
Total nonoperating income.....	89,142.76	36,695.97	25,431.14	52,143.90	13,670.57	113,448.17
Gross income.....	23,807.25	14,004.94	8,638.26	9,540.30	7,908.67	3,750.39
Deductions from gross income:						
Interest on funded securities (debit balance).....	2,446.68	1,360.25	2.40		33.04	
Rent for locomotives.....	331.99	757.50			15.00	
Rent for passenger-train cars.....	6,177.55	5,149.15	7,731.10	5,831.79	5,657.07	3,586.80
Joint facility rents.....	775.75	1,064.71	1,001.86	820.00	600.00	400.00
Miscellaneous rents.....	37,200.00	444.67	696.87	878.81	640.87	427.28
Miscellaneous tax accruals.....	810.00	36,000.00	36,700.00	36,550.00	36,550.00	24,319.20
Interest on unfunded debt.....	1,144.92	810.00	1,205.79	570.57	570.57	570.57
Amortization of discount on funded debt.....	656.01	1,144.92	1,144.92	1,144.92	1,144.92	266.87
Miscellaneous income charges.....		656.01	411.26	1,600.00	1,550.00	
Total deductions from gross income.....	73,353.13	62,855.14	57,592.56	55,642.39	51,969.16	32,540.54
Net income balance transferred to profit and loss.....	16,189.63	1,268,028.17	1,32,161.42	1,3,498.49	1,385,298.59	1,46,288.71

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EXHIBIT 20

Fernwood, Columbia & Gulf Railroad Co.—Railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months to Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$321,131.62	\$184,000.25	\$136,933.03	\$145,505.05	\$117,403.60	\$47,863.07
Passenger.....	11,018.90	8,183.71	5,100.69	4,113.22	3,339.86	1,378.34
Excess baggage.....	231.27	3,227.13	4,532.33	14,312.29	5,969.76	7,122.22
Mail.....	3,420.91	1,574.29	1,636.02	1,423.83	1,187.25	3,343.78
Express.....	1,635.86	49.74	153.16	73.49	1,79.14	107.68
Switching.....	170.33	5,998.75	521.55	803.90	887.40	403.65
Special service train.....	27,916.76	328.00	429.00			
Total rail-line transportation revenue.....	366,053.34	203,099.22	149,776.35	166,937.05	128,989.47	54,105.69
Storage, freight.....						
Freight.....	178.81	74.50	40.30	70.83	68.63	44.76
Passenger.....	1,158.40	476.25	249.00	808.00	464.00	142.75
Express.....	394.20	221.08	125.70	93.49	153.23	100.42
Rents of buildings and other property.....	377.38	12.50	337.50	49.50	6.00	5.00
Miscellaneous.....	10.00		3.50		1.00	
Total incidental operating revenues.....	2,318.99	784.33	764.00	1,126.74	692.86	292.93
Total railway operating revenues.....	368,372.33	203,883.55	150,540.35	168,063.79	129,682.33	54,398.62
OPERATING EXPENSES						
Total maintenance of way and structures.....	90,607.31	46,640.46	34,694.18	35,116.81	30,994.35	23,246.19
Total maintenance of equipment.....	39,822.67	18,141.15	14,228.52	10,355.59	15,596.20	15,596.20
Total traffic expenses.....	13,908.47	12,025.64	10,774.06	9,812.55	10,138.60	5,922.59
Total transportation, rail line.....	62,117.39	49,123.58	43,323.91	38,671.94	20,016.53	20,016.53
Transportation expenses.....	26,711.43	20,135.57	16,023.44	18,530.40	18,935.83	8,977.66
Transportation for investment.....	1.25.01	1.180.57			92.58	
Grand total railway operating expenses.....	264,634.15	158,879.64	124,843.78	117,139.06	114,339.89	66,660.18
Debit.....						

EXHIBIT 21

Fort Dodge, Des Moines & Southern Railroad Co., C. H. Crooks, Receiver.—Comparative general balance sheet for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months of 1931
ASSETS						
Road and equipment.....	\$10,929,214.17	\$10,944,901.69	\$10,158,407.12	\$9,910,622.95	\$10,104,622.02	\$10,157,981.83
Miscellaneous physical property.....	159,310.83	172,372.84	174,374.23	174,269.23	174,234.23	48,359.49
Investments in affiliated companies.....						
Stocks.....	181,944.00	186,944.00	194,344.00	172,500.00	182,150.00	180,814.38
Bonds.....	28,944.00	28,944.00	28,944.00	28,944.00	28,944.00	350.00
Other investments, stocks.....	113,696.40	103,596.40	71,896.40	82,933.57	183,000.00	32,587.38
Cash.....	142,246.39	117,269.36	117,896.31	105,528.00	4,155.50	83,250.50
Special deposits.....	106,827.57	83,841.45	121,940.76	84,616.43	63,155.15	7,909.60
Loans and notes receivable.....	136,496.12	138,590.41	131,450.45	112,961.09	137,324.79	55,080.62
Miscellaneous accounts receivable.....	1,065.55	1,062.67	1,063.10	1,515.81	1,506.06	118,205.18
Material and supplies.....	100.00	100.00	100.00	252.00	49,900.34	22,288.87
Prepaid expenses and rents receivable.....	4,102.00	12,704.45	7,712.17	3,328.78	7,002.75	128,454.49
Other current assets.....	3,840.00	3,840.00	3,840.00	3,840.00	3,840.00	5,336.56
Rents and insurance paid in advance.....	122,338.49	109,001.66	96,204.39	83,885.68	72,620.99	3,840.00
Discount on capital stock.....	385,402.01	387,704.52	385,139.69	9,685.15	22,953.00	63,116.03
Other unadjusted debts.....						28,074.77
Total.....	12,215,937.23	12,290,917.49	11,493,329.63	10,746,018.79	11,014,725.09	10,939,136.32
LIABILITIES						
Capital stock.....	3,997,100.00	3,997,100.00	3,997,100.00	3,997,100.00	3,997,100.00	3,997,100.00
Funded debt unamortized.....	5,963,571.75	5,914,246.75	5,838,070.00	5,765,691.25	5,800,691.25	5,800,691.24
Loans and notes payable.....	121,100.00	133,209.47	111,892.45	111,610.35	3,195.35	3,132.00
Audited accounts and wages payable.....	47,326.03	52,673.79	38,252.07	51,988.33	67,311.11	99,384.61
Miscellaneous accounts payable.....	16,633.31	16,633.31	17,275.51	149,655.81	432,833.31	36,994.16
Matured interest, dividends, and rents unpaid.....	28,006.66	28,174.59	27,595.43	29,926.50	39,801.05	575,040.81
Accrued interest, dividends, and rents payable.....	139,559.11	138,973.72	139,044.93	71,358.30	101,281.30	164,462.06
Other current liabilities.....	70,113.94	69,032.06	69,231.00	69,231.00	69,231.00	179,311.72
Operating reserves.....	1,062,470.45	1,189,333.36	1,065,691.59	1,052,700.40	3,320.00	1,397,341.56
Accrued depreciation, road and equipment.....	22,172.57	25,402.53	27,632.49	28,862.45	32,092.41	33,059.05
Accrued depreciation, miscellaneous physical property.....	12,211.38	13,044.50	12,211.38	7,209.51	6,954.11	6,954.11
Other unadjusted credits.....	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Miscellaneous fund reserve.....	489,219.14	450,013.79	1,061,143.04	1,691,074.52	1,906,441.63	1,261,585.85
Profit and loss balance.....						
Total.....	12,215,937.23	12,290,917.49	11,493,329.63	10,746,018.79	11,014,725.09	10,939,136.32
Debits.....						

EXHIBIT 22

Fort Dodge, Des Moines & Southern Railroad Co., C. H. Crooks, receiver—Comparative income statement for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months of 1931
I. OPERATING INCOME						
Railway operating revenue.....	\$1,601,390.34	\$1,400,648.29	\$1,354,990.30	\$1,327,462.48	\$988,420.65	\$454,838.96
Railway operating expenses.....	1,212,211.18	1,210,662.22	1,383,638.47	1,307,480.84	989,311.17	847,342.35
Net revenue, railway operations.....	389,179.16	190,086.07	1,228,743.17	19,982.14	40,118.48	1,92,803.39
Auxiliary operations revenues.....	389,422.53	375,513.99	382,230.68	356,833.33	320,997.39	178,280.46
Auxiliary operations expenses.....	201,961.16	193,212.48	254,264.52	211,824.73	207,247.88	100,180.80
Net revenue, auxiliary operation.....	187,461.37	182,301.51	127,966.16	145,008.60	113,749.51	78,099.66
Net operating revenue.....	456,640.53	372,387.58	1,100,777.01	164,990.74	162,867.99	114,403.73
Taxes assigned to railway operations.....	68,788.84	66,000.00	72,780.32	63,915.85	63,869.00	41,920.15
Total operating income.....	387,851.69	306,387.58	1,173,566.33	101,074.89	98,998.99	156,323.88
II. NONOPERATING INCOME						
Net income from miscellaneous physical property.....					523.78	1,326.28
Dividend income.....	3,527.61	4,532.70	10,000.00		25,000.00	
Income from unfunded securities and accounts.....	3,975.07	4,001.00	3,400.79	1,617.72	4,774.84	848.77
Income from reserves.....				3,499.94		2,118.11
Total nonoperating income.....	7,502.68	8,533.79	16,400.79	5,117.67	31,218.24	2,641.60
Gross income.....	395,354.37	314,921.37	1,189,967.12	106,192.56	130,217.23	158,965.48
III. DEDUCTIONS FROM GROSS INCOME						
Rent for leased roads.....	11,177.20	11,846.59	12,617.17	14,221.34	13,426.56	5,581.27
Miscellaneous rents.....	4,970.69	4,904.92	4,904.92	4,904.92	4,904.92	3,333.26
Net loss on miscellaneous physical property.....	2,197.36	1,306.33	3,726.99	10,765.30	290,134.40	190,190.58
Interest on funded debt.....	313,024.99	308,350.83	304,141.67	290,961.67	290,134.40	190,190.58
Interest on unfunded debt.....	8,332.38	7,431.47	10,234.61	3,132.80	508.15	690.22
Amortization of discount funded debt.....	12,931.94	11,968.73	11,425.62	11,425.62	11,264.69	7,504.96
Income transferred to other companies.....	6,091.94	5,760.38	4,730.70	4,407.80	2,172.92	14.00
Total deductions from gross income.....	357,977.60	351,602.25	352,110.52	348,834.55	331,506.64	216,303.31
Income balance transferred to profit and loss.....	37,376.77	1,36,319.12	1,509,056.60	1,242,741.59	1,201,289.41	1,965,985.59
Debit.....						

EXHIBIT 23

Fort Dodge, Des Moines & Southern Railroad Co., C. H. Crooks, receiver—Railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended August 31, 1931
OPERATING REVENUES						
Passenger revenue.....	\$226,288.79	\$162,768.67	\$106,697.64	\$72,638.38	\$32,599.75	\$9,023.31
Baggage revenue.....	1,502.34	1,216.84	1,064.56	803.48	205.01	118.49
Parlor car and special car revenue.....	410.25	53.50				
Mail revenue.....	3,583.42	3,538.44	3,283.72	2,735.15	2,408.50	1,483.22
Express revenue.....	932,472.09	985,105.77	1,069,690.30	1,110,188.97	897,975.11	1,212.58
Freight revenue.....	33,314.73	34,775.30	35,890.53	40,249.65	30,739.57	411,183.92
Switching revenue.....	1,045.33	904.43	872.58	845.86	500.11	208.71
Storage.....	188.90	146.00	146.00	152.80	80.00	23.60
Demurrage.....	673.39	752.21	752.21	905.47	920.20	251.77
Rent of equipment.....	2,335.90	2,611.80	4,492.36	8,693.15	1,400.00	1,550.90
Rent of buildings and other property.....	283,973.73	205,541.80	125,121.30	8,693.15	45,894.50	11,873.88
Miscellaneous.....	3,778.90	1,946.64	1,063.58	2,294.94	1,123.99	1,883.51
Total operating revenues.....	1,501,390.34	1,400,648.29	1,354,990.30	1,327,462.48	988,420.65	454,838.96
OPERATING EXPENSES						
Way and structures.....	184,012.47	184,983.59	189,079.07	212,370.55	173,408.25	98,307.80
Power.....	331,748.25	278,191.60	754,255.99	374,321.88	190,269.37	77,783.12
Equipment.....	146,754.79	210,514.21	89,104.16	142,351.55	21,697.22	151,460.94
Conducting transportation.....	350,021.27	338,021.55	338,021.55	338,021.55	271,809.22	20,203.35
Traffic.....	171,466.75	169,334.27	192,451.81	232,128.26	190,080.44	108,630.52
General miscellaneous.....						
Total operating expenses.....	1,212,211.18	1,210,662.22	1,583,638.47	1,307,480.84	989,311.17	547,342.35

EXHIBIT 24

Gainesville & Northwestern Railroad Co.—Comparative general balance sheet—assets and liabilities—combining corporate and receiver's operations for the calendar years ended December 31, 1926–1930, inclusive, and also for the eight months ended August 31, 1931

	1926	1927	1928	1929	1930	Jan. 1-Aug. 31, 1931
ASSETS						
Investment in road and equipment.....	\$812,377.79	\$819,148.72	\$825,215.13	\$819,379.62	\$819,121.05	\$818,460.84
Current assets:						
Cash.....	534.42	3,893.15	1,094.85	1,953.03	12,042.44	2,013.53
Net balance receivable from agents and conductors.....	3,321.31	4,075.30	3,104.65	2,293.51	2,293.51	5,338.49
Miscellaneous accounts receivable.....	13,162.28	18,409.39	23,404.05	26,739.87	5,274.43	5,338.49
Material and supplies.....	5,865.84	5,619.54	6,805.85	6,885.14	5,502.32	5,465.23
Other current assets.....	47,945.80	48,518.68	49,692.64	49,707.94	47,945.80	47,979.62
Total current assets.....	70,319.65	80,322.06	84,103.84	87,548.05	72,984.49	61,598.66
Unadjusted debits:						
Other unadjusted debits.....	807.35	807.35	807.35	807.35	807.35	807.85
Securities issued or assumed—Pledged, \$75,000.....						
Grand total.....	883,504.79	900,479.13	910,126.32	907,735.02	892,912.89	880,877.35
LIABILITIES						
Capital stock.....	750,000.00	750,000.00	750,000.00	750,000.00	750,000.00	750,000.00
Long-term debts:						
Funded debt: unamortized.....	75,000.00					
Nonfunded debt to affiliated companies—						
(A) Notes.....	6,930.00	6,930.00	28,458.12	23,558.12	23,558.12	23,558.12
(B) Open accounts.....	137,311.98	141,883.97	145,795.72	160,312.00	164,724.35	167,686.37
Total long-term debt.....	213,241.98	148,813.97	169,353.84	183,870.22	~188,282.47	191,244.49

Current liabilities:						
Loans and bills payable.....	10,428.98	11,153.28	4,000.00	4,000.00	3,500.00	2,500.00
Traffic and car service balances payable.....	102,342.56	189,826.87	189,826.87	167,492.73	166,514.89	7,454.50
Audited accounts and wages payable.....		2,585.02	2,587.21	1,838.95		174,456.30
Miscellaneous accounts payable.....	18,211.99	26,358.85	32,886.78	41,550.02	47,192.40	51,353.35
Funded debt matured, unpaid.....	25,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Unmatured interest accrued.....	2,083.55	2,083.55	2,073.24			
Other current liabilities.....	46,345.80	48,518.68	46,701.44	49,716.44	47,984.30	47,979.62
Total current liabilities.....	204,408.88	321,113.03	360,136.92	368,112.56	373,502.23	383,743.37
Unadjusted credits:						
Accrued depreciation, equipment.....	7,944.04	10,044.18	11,917.59	9,411.46	11,541.82	12,962.06
Other unadjusted credit.....	19,265.51	17,665.51	1,087.39	2,213.89	2,213.59	2,213.59
Total unadjusted credits.....	27,209.55	27,709.69	12,974.98	11,625.06	13,755.41	15,175.65
Corporate surplus: Profit and loss debit balance (deficit).....	317,375.62	346,677.66	382,339.42	408,873.31	432,627.22	459,266.36
Grand total.....	883,504.79	900,479.13	910,126.32	907,735.02	892,912.89	880,877.35

EXHIBIT 25

Gainesville & Northwestern Railroad Co.—Income accounts combining corporate and receiver's operations for the calendar years ended December 31, 1928 to 1930, inclusive, and also for the eight months ended August 31, 1931

	1926	1927	1928	1929	1930	Jan. 1-Aug. 31, 1931
By operating revenues.....	\$109,520.52	\$109,613.05	\$109,928.95	\$90,454.91	\$68,747.29	\$23,522.67
Railway operating expenses.....	91,373.82	93,973.01	100,497.85	82,676.87	63,873.70	32,514.93
Net revenue from railway operations.....	18,146.70	15,639.04	9,431.10	7,778.04	2,873.59	1,007.74
Railway tax accruals.....	2,933.36	2,933.09	3,009.29	3,289.28	3,601.19	1,406.65
Total operating income.....	15,213.34	12,705.95	6,421.81	4,488.76	1,272.40	1,101.09
Nonoperating income:						
Rent from locomotives.....	603.82	150.00	54.00	137.00	67.50	
Rent from passenger-train cars.....	24.00	24.00	72.00			
Joint facility-rent income.....	152.58	57.08	163.14	73.73	233.37	10.20
Total nonoperating income.....	756.40	231.08	291.14	210.73	300.87	10.20
Gross income.....	15,969.74	12,937.03	6,712.95	4,699.49	426.73	1,111.29
Deductions from gross income:						
Hire of freight cars.....	19,362.80	18,908.22	18,828.60	9,693.38	7,491.31	1,406.77
Rent for locomotives.....	9,306.00	12,144.04	11,350.00	4,308.00	4,491.31	6,940.00
Rent for passenger-train cars.....	847.10	343.69	443.00	758.38	5,152.63	7,000.00
Joint-facility rents.....	8,093.84	693.84	693.84	693.84	693.84	462.56
Interest on funded debt.....	8,093.84	4,071.99	4,411.75			
Interest on unfunded debt.....	1,803.33	6,028.19	6,647.62	11,254.25	12,524.60	7,328.10
Total deductions from gross income.....	40,924.82	42,184.97	42,374.81	26,975.85	26,327.18	16,240.43
Net income balance transferred to profit and loss (deficit).....	1,277,865.08	1,290,301.94	1,355,661.86	1,222,264.37	1,296,733.91	1,286,629.14
1 Deficit.						

EXHIBIT 26

Gainesville & Northwestern R. R. Co.—Railway operating revenues and expenses, combining corporate and receiver's operations, for the calendar years ended December 31, 1926 to 1930, inclusive, and also for the eight months ended August 31, 1931

	1926	1927	1928	1929	1930	Jan. 1-Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$98,179.34	\$100,154.00	\$99,310.88	\$71,507.34	\$57,852.80	\$19,593.96
Passenger.....	2,055.74	3,116.84	3,604.68	3,620.36	2,667.49	396.88
Express.....	3,443.42	4,115.28	4,216.17	14,018.75	4,717.60	3,142.70
Mail.....	646.73	802.31	844.62	728.67	537.80	151.29
Switching.....	4.50		4.25			
Total rail-line transportation revenue.....	104,638.13	108,791.21	107,986.90	89,875.12	65,776.79	23,286.83
Storage, freight.....	105.54	91.94	68.80	313.19	67.90	68.48
Demurrage revenue.....	1,940.00	636.00	1,797.00	137.00	829.00	144.00
Rents of buildings and other property.....	38.50	14.50	8.00	96.00	15.00	10.20
Miscellaneous.....	90.35	76.40	73.25	33.60	58.60	23.36
Total incidental operating revenues.....	2,184.39	821.84	1,945.05	579.79	970.50	246.04
Total railway operating revenues.....	106,822.52	109,613.05	109,931.95	90,454.91	66,747.29	23,532.87
OPERATING EXPENSES						
Total maintenance of way and structures.....	26,850.52	27,712.68	43,363.38	23,556.24	21,793.04	10,324.14
Total maintenance of equipment.....	11,367.05	15,735.40	11,083.44	11,457.94	13,151.07	3,769.74
Total traffic expenses.....	11,367.05	15,735.40	11,083.44	11,457.94	13,151.07	3,769.74
Total transportation, water line.....	38,779.95	42,661.48	37,321.08	25,787.35	22,683.65	11,680.60
Total miscellaneous operations.....	None	None	None	None	None	None
Total general expenses.....	12,382.38	6,384.08	5,386.01	15,571.73	4,763.22	4,915.95
Grand total railway operating expenses.....	91,573.82	93,973.01	100,497.85	82,676.87	63,873.70	32,514.93

EXHIBIT 27

Georgia & Florida Railroad, W. V. Griffin and H. W. Purvis, receivers—Comparative general balance, years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investments:						
Investments in road and equipment.....	\$17,246,449.78	\$19,104,120.11	\$20,536,362.82	\$21,473,317.08	\$21,612,622.07	\$21,638,287.96
Improvements on leased railway property.....		15,001.67	14,479.74	15,698.04	24,041.17	33,397.84
Miscellaneous physical property.....	47,680.29	1,676.23	8,738.43	10,657.57	10,331.11	14,711.29
Invested in affiliated companies—						
(A) Bonds.....	30,000.00	30,000.00	30,000.00	35,000.00	35,000.00	35,000.00
(B) Bonds.....	29,000.00	29,000.00	29,000.00	29,000.00	29,000.00	29,000.00
(C) Notes.....	71,000.00	71,000.00	71,000.00	71,000.00	71,000.00	71,000.00
(D) Advances.....				18,563.67	28,250.43	28,250.43
Other investments—	50.00					
(A) Stocks.....				2,000.00	2,000.00	2,000.00
(B) Bonds.....				2,000.00	2,000.00	2,000.00
(C) Notes.....						
(D) Advances.....	1,000.00					
Current assets:	17,325,180.07	19,240,838.01	20,679,580.99	21,657,266.36	21,814,253.78	21,831,603.39
Cash.....	13,423.27	19,092.07		22,435.94	92,902.05	109,943.84
Loans and deposits.....	1,876.08	1,876.08	1,890.48	1,846.26	17,371.68	19,400.43
Special deposits.....	2,800.40	1,302,005.00	113,646.31	17,302.49		
Loans and bills receivable.....	30,249.00	20,447.75	32,986.07	42,233.93	33,374.83	60,497.14
Traffic and car service balances receivable.....	48,537.14	5,993.19	8,631.06	5,690.07	7,093.78	20,427.03
Net balances receivable from agents and conductors.....	7,884.22	8,674.11	48,046.39	48,336.85	44,671.28	52,533.61
Miscellaneous accounts receivable.....	125,092.18	113,674.11	113,674.11	108,725.00	1,215.10	8,327.22
Material and supplies.....	244,207.35	10,194.84	23,532.53	19,421.22	14,235.53	14,189.51
Prepaid expenses receivable.....	24,349.42	38,960.14				
Other current assets.....	496,643.08	1,583,962.85	354,481.99	258,871.67	319,277.15	363,280.52
Deferred assets:						
Working fund advances.....	1,866.32	534.00	534.00	717.00	717.00	717.00
Other deferred assets.....	733.43					
Total deferred assets.....	2,599.75	534.00	534.00	717.00	717.00	717.00

Unadjusted debits:	300.68	2,119.78	822.61	4,093.73	4,093.97	2,527.89
Rebates and insurance premiums paid in advance.....	254,166.78	2,413.29	2,260.34	3,554.53	732,530.13	701,783.21
Discount on funded debt.....	491,418.91	188,851.83	286,968.34	317,127.91	626,511.62	599,468.21
Other unadjusted debits.....						
Total unadjusted debits.....	745,886.37	193,384.90	240,731.36	324,773.17	1,394,047.72	1,303,772.31
Grand total.....	18,570,309.27	21,018,739.76	21,275,328.34	22,241,628.20	23,498,265.65	23,519,373.22
LIABILITIES						
Total capital stock.....	8,695,000.00	13,376,373.51	13,379,440.76	13,382,440.76	13,382,440.76	13,382,440.76
Long-term debt:						
Funded debt unmatured.....	8,216,000.00	7,192,000.00	7,142,000.00	7,114,000.00	7,096,000.00	7,096,000.00
Receiver's certificates.....	1,992,000.00				600,000.00	600,000.00
Total long-term debt.....	10,208,000.00	7,192,000.00	7,142,000.00	7,114,000.00	8,596,000.00	8,596,000.00
Current liabilities:						
Loans and bills payable.....	322,402.87	22,500.00	207,555.00	961,804.00	768,389.25	758,389.25
Traffic and car service balances payable.....	39,002.33	12,218.11	15,938.93	35,884.76	35,446.46	35,446.46
Audited accounts and wages payable.....	610,743.26	213,327.81	341,848.71	563,683.29	374,744.44	374,744.44
Miscellaneous accounts payable.....	7,023.53	7,023.53	10,650.00	10,498.39	11,341.69	283,243.77
Interest matured unpaid.....	499,623.50	7,035.07	129,329.10	562,096.56	790,103.52	790,103.52
Unmatured interest accrued.....	7,134,640.96	73,683.29	74,525.29	109,308.95	83,035.80	154,195.83
Other current liabilities.....	3,700.71	26,643.48	22,773.99	20,032.33	625.00	5,625.00
Total current liabilities.....	8,784,202.28	363,812.36	677,884.98	1,808,383.83	1,710,304.79	2,076,250.35
Unadjusted credits:						
Tax liability.....	28,394.25		5,900.00	625.00	1,346.28	61,085.18
Accumulation—equipment.....	156,285.76	44,131.53	91,732.49	138,948.46	185,039.61	216,980.09
Other unadjusted credits.....	252,623.13	4,054.20	4,839.04	22,244.88	253,860.96	244,406.66
Total unadjusted credits.....	434,253.14	48,185.73	102,291.53	161,818.34	441,179.84	525,471.99
Corporate surplus:						
Additions to property through income and surplus.....	21,633.00	1,346.10	4,195.55	6,611.12	12,298.59	12,298.59
Profit and loss.....	1,9,572,839.15	32,022.06	1,30,484.48	1,231,623.85	1,649,928.33	1,070,088.44
Total corporate surplus.....	1,9,551,206.15	33,368.16	1,26,288.93	1,225,014.73	1,637,629.74	1,067,789.85
Grand total.....	18,570,309.27	21,018,739.76	21,275,328.34	22,241,628.20	23,498,265.65	23,519,373.22
Deficit.....						

EXHIBIT 28

Georgia & Florida Railroad, W. V. Griffin and H. W. Purvis, receivers—Comparative income account, years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues.....	\$1,972,837.66	\$1,851,894.34	\$1,610,376.29	\$1,673,396.45	\$1,695,137.48	\$1,013,282.82
Railway operating expenses.....	1,448,571.60	1,512,393.97	1,371,311.05	1,471,704.58	1,502,810.57	952,203.55
Net revenue from railway operations.....	524,266.07	339,498.37	246,265.24	201,691.87	192,326.91	61,077.27
Railway tax accruals.....	78,567.50	96,511.02	113,899.33	112,807.75	75,860.96	60,000.00
Uncollectable railway revenues.....	587.20	14.09	404.76	140.05	32.49	1.60
Railway operating income.....	445,678.78	242,882.66	130,961.15	88,943.77	116,433.46	1,075.67
Nonoperating income:						
Hire of freight cars—Credit balance.....	6,138.32	15.00	29,489.64	1,246.67	6,072.59	1,550.40
Rent from locomotives.....	1,376.80	1,424.50	3,540.35	23,732.92	15,852.34	3,091.15
Rent from passenger train cars.....	1,458.03	1,416.59	3,540.35	23,732.92	15,852.34	3,091.15
Joint facility rent income.....	177.30	177.96	177.96	1,008.94	9,231.92	6,324.22
Income from lease of road.....	8,457.27	8,293.71	8,510.66	8,826.89	9,231.92	6,324.22
Miscellaneous nonoperating income.....	1,125.08	968.44	474.13	777.50	2,111.14	369.41
Income from funded securities.....	1,740.00	1,740.00	1,740.00	1,740.00	2,111.14	1,608.37
Income from unfunded securities and accounts.....	19,200.75	29,168.63	52,868.10	75,024.16	44,854.43	18,994.46
Total nonoperating income.....	464,888.53	271,751.29	183,829.25	163,967.93	101,287.89	20,070.13
Gross income.....	910,567.31	514,633.95	314,790.44	252,961.70	217,721.35	21,145.80
Deductions from gross income:						
Hire of freight cars—Debit balance.....	203,325.50	3,984.56	5,323.14	5,139.42	16,239.85	17,240.82
Rent for locomotives.....	5,540.25	5,765.02	10,400.37	22,971.29	31,456.53	20,501.29
Rent for passenger train cars.....	10,950.56	10,294.60	7,800.00	7,800.00	7,500.00	5,000.00
Joint facility rents.....	4,837.36	4,801.00	3,732.36	3,732.36	3,732.36	2,618.24
Miscellaneous rents.....	564,319.96	198,290.81	197,538.43	273,323.43	372,173.97	256,173.37
Interest on funded debt.....	289,815.73	2,641.47	3,377.94	38,068.44	34,623.16	36,711.06
Amortization of discount on funded debt.....	50,000.00	3,729.88	6,801.47	4,621.81	2,848.42	1,620.30
Miscellaneous income charges.....	1,128,498.36	236,324.03	232,933.12	355,637.75	572,042.88	430,405.10
Total deductions from gross income.....	1,663,609.83	35,227.26	1,40,123.87	1,191,660.82	1,410,754.99	1,410,334.97
Net income balance transferred to profit and loss.....	1,663,609.83	35,227.26	1,40,123.87	1,191,660.82	1,410,754.99	1,410,334.97
Debit.....						

EXHIBIT 29

Georgia & Florida Railroad, W. V. Griffin and H. W. Purvis, receivers—Comparative railway operating revenues and expenses, years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$1,600,384.00	\$1,598,235.24	\$1,397,948.33	\$1,454,232.07	\$1,544,807.79	\$936,027.03
Passenger.....	293,235.08	188,850.66	150,007.54	110,240.29	62,865.64	27,238.22
Excess baggage.....	1,362.17	1,475.44	995.75	48,874.05	40,066.43	25,903.11
Mail.....	29,049.48	29,516.73	37,697.89	22,962.56	12,693.17	5,063.22
Express.....	22,087.17	23,594.10	22,117.90	16.92	592.06	7.05
Mileage passenger train.....	77.40	60.95	28.99	16.92	592.06	7.05
Mileage freight train.....	132.24	128.95	138.44	7,900.13	6,927.52	3,062.89
Switching.....	9,621.64	10,276.97	10,098.82	7,900.13	823.00	1,269.55
Special service train.....	3,271.85	756.25	1,187.00	1,238.00	823.00	1,269.55
Total railway operating revenues.....	1,925,229.61	1,825,273.68	1,690,765.45	1,646,966.11	1,608,472.62	996,723.87
OPERATING EXPENSES						
Hotel and restaurant.....	14,121.21	13,292.28	13,404.08	15,781.01	15,144.40	9,462.12
Storage.....	1,211.02	818.62	178.43	35.48	2,550.37	1,547.33
Freight.....	3,808.63	3,838.92	3,102.12	3,225.47	7,097.00	2,472.00
Baggage.....	9.46	7.57	8.68	5.00	91.36	438.03
Demurrage.....	22,798.50	5,323.00	6,400.00	5,478.32	7,097.00	2,472.00
Rents of building and other property.....	3,170.00	1,091.00	620.08	746.00	87.50	91.36
Miscellaneous.....	1,186.61	1,019.74	1,037.75	827.42	955.59	438.03
Total incidental operating revenues.....	46,305.43	25,411.13	24,751.14	26,098.70	25,836.06	14,011.32
Joint facility—credit—operating revenues.....	1,302.62	1,119.53	1,059.70	1,001.64	838.80	547.63
Total railway operating revenues.....	1,972,837.66	1,851,894.34	1,616,576.29	1,673,066.45	1,605,137.48	1,013,282.82
OPERATING EXPENSES						
Maintenance of way and structures.....	286,397.55	326,976.08	276,398.13	316,879.55	386,121.19	242,444.78
Maintenance of equipment.....	231,732.54	277,975.35	245,135.17	264,117.39	273,183.44	167,583.16
Traffic expenses.....	104,763.60	119,516.17	109,132.85	116,132.85	122,445.14	83,375.10
Transportation—rail line.....	724,444.66	698,374.76	644,467.25	681,329.98	624,127.97	396,352.72
Miscellaneous operations.....	2,688.47	2,674.94	2,692.43	2,675.24	2,683.49	1,761.91
General expenses.....	98,454.57	97,324.95	97,795.55	102,464.94	95,406.99	61,238.73
Transportation for investment—credit.....		446.28	4,417.04	11,896.07	1,161.65	500.85
Total railway operating expenses.....	1,448,571.60	1,512,393.97	1,371,311.05	1,471,704.58	1,502,810.57	952,203.55

EXHIBIT 30

Greene County Railroad Co.—Comparative general balance sheet for the years ended December 31, 1926, to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investment in road and equipment.....	\$146,175.17	\$148,175.17	\$148,175.17	\$149,252.53	\$149,563.38	\$149,563.38
Current assets:						
Traffic and car-service balance receivable.....	1,114.78	2,683.89	631.35	264.77	127.08	2,273.24
Net balance receivable from agents and conductors.....	28.22	94.00	1,420.45	1,212.55	3,348.71	1,502.25
Miscellaneous accounts receivable.....	460.56	804.80	1,221.69	381.87	281.12	507.04
Material and supplies.....	93.98	81.48	402.53	3,401.31	1,691.41	1,790.95
Other current assets.....	1,167.30	705.01	520.10	469.44	1,501.67	1,398.56
Total current assets.....	136.36	1,164.28	1,888.00	194.00	1,700.00	521.95
Total current assets.....	3,110.20	4,370.93	4,564.13	5,903.74	7,123.87	7,827.99
Unadjusted credits:						
Rents and insurance premiums paid in advance.....	280.86	527.88	219.09	100.74	44.89	524.70
Other unadjusted credits.....	96.50	-----	21.64	95.88	23.39	96.49
Par value of holdings at end of year, \$75,000.....	-----	-----	-----	-----	-----	-----
Total unadjusted credits.....	380.36	527.88	240.73	256.32	68.28	621.19
Grand total.....	151,665.73	153,973.83	152,999.93	155,422.59	156,768.53	158,011.56

LIABILITIES						
Stock:	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Capital stock.....	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
(b1) Total book liability at close of year.....	5.00	5.00	5.00	5.00	5.00	5.00
Premium of capital stock.....	-----	-----	-----	-----	-----	-----
Total stock.....	100,005.00	100,005.00	100,005.00	100,005.00	100,005.00	100,005.00
Long-term debt:						
(b1) Total book liability at close of year—						
1926.....	\$124,000					
1927.....	118,000					
1928.....	112,000					
1929.....	106,000					
1930.....	100,000					
1931 (8 months).....	75,000					
(b2) Portion held by or for respondent at close of year.....	49,000.00	43,000.00	37,000.00	31,000.00	25,000.00	25,000.00
Funded debt unamortized.....	-----	-----	-----	-----	-----	-----
Current liabilities:						
Traffic and bills payable.....	401.43	2,000.00	3,200.00	2,540.00	2,640.00	5,000.00
Accounts payable.....	4,768.29	598.40	1,518.21	2,330.43	1,670.22	2,619.35
Audited accounts and wages payable.....	28,768.14	4,542.17	4,851.88	6,780.43	7,733.98	6,745.66
Miscellaneous accounts payable.....	1,205.00	2,000.00	31,515.01	38,530.22	42,000.04	38,968.15
Unmatured interest accrued.....	-----	1,000.00	875.00	1,280.00	2,255.00	2,865.00
Total current liabilities.....	35,160.90	36,448.13	41,960.00	51,479.08	56,220.24	56,188.16
Unadjusted credits:						
Accrued depreciation—Road.....	35,927.13	38,322.49	41,306.01	42,407.00	44,072.03	44,988.71
Accrued depreciation—Equipment.....	3,037.94	3,010.10	4,182.26	650.88	759.36	831.08
Total unadjusted credits.....	38,965.07	42,132.59	45,548.27	43,057.88	44,831.39	45,820.39
Corporate surplus, additions to property through income and surplus.....	65.00	65.00	65.00	65.00	65.00	65.00
Profit and loss (debit balance).....	71,095.24	68,877.19	71,578.94	70,184.37	69,372.70	69,372.70
Total corporate surplus (debit balance).....	71,680.24	68,512.19	71,513.94	70,119.37	69,307.70	69,307.70
Grand total.....	151,665.73	153,073.83	152,999.93	155,422.59	156,768.53	157,675.85

EXHIBIT 31

Greene County Railroad Co.—Income account for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues.....	\$54,930.12	\$54,264.71	\$47,307.23	\$50,816.13	\$50,548.99	\$31,470.21
Operating expenses.....	40,505.58	40,803.42	38,458.89	46,086.70	39,330.50	25,442.82
Net revenue from railway operations.....	14,424.54	13,461.29	8,848.34	4,729.43	11,218.49	6,027.39
Railway operating expenses.....	1,894.34	1,948.85	2,131.88	1,910.18	11,839.83	1,320.00
Uncollectible railway revenue.....	454.90					
Total operating income.....	12,073.46	11,421.44	6,716.46	2,819.25	9,378.66	4,707.39
Nonoperating income: Miscellaneous rent income.....	83.00	124.00	214.00	144.00	129.00	222.00
Gross income.....	12,156.46	11,545.44	6,930.46	3,063.25	9,507.66	4,929.39
Deductions from gross income:						
Hire of freight cars (debit balance).....	5,876.38	4,411.71	4,427.40	4,412.20	3,976.40	2,743.84
Rent for locomotives.....		824.47	2,405.65	2,400.00	2,471.61	1,600.00
Joint-facility rents.....	243.00	243.00	243.00	243.00	243.00	176.35
Interest on funded debt.....	3,135.00	2,775.00	2,415.00	2,053.00	1,685.00	1,000.00
Interest on unfunded debt.....	178.02	238.21	331.16	338.07	288.88	127.97
Total deductions from gross income.....	9,432.40	8,492.39	9,932.21	9,448.27	8,675.89	5,592.16
Net income balance transferred to profit and loss.....	2,724.06	3,053.05	13,001.75	17,065.02	811.67	1,682.77
Debit.....						

EXHIBIT 32

Greene County Railroad Co.—Railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$53,446.12	\$52,637.86	\$45,207.66	\$46,651.65	\$48,685.74	\$59,763.07
Passenger.....	381.60	327.68	146.18	64.28	62.00	144.00
Rail.....	837.84	837.84	1,103.04	3,307.47	1,473.32	982.88
Switching.....	214.89	428.07	450.01	663.23	402.81	579.97
Total rail-line transportation revenue.....	54,880.45	54,231.45	46,806.89	50,776.63	50,624.87	31,400.82
Storage freight.....	45.67	25.26	49.34	35.50	16.12	1.39
Demurrage.....	4.00	8.00	351.00	4.00	8.00	8.00
Total incidental operating.....	49.67	33.26	400.34	39.50	24.12	9.39
Total railway operating revenues.....	54,930.12	54,264.71	47,307.23	50,816.13	50,648.99	31,470.21
Ratio of operating expenses to operating revenues.....	73.74	73.36	81.29	91.87	77.83	80.84
OPERATING EXPENSES						
Maintenance of way and structures.....	12,646.26	12,382.40	12,923.54	15,847.71	13,870.58	9,870.24
Maintenance of equipment.....	2,770.59	2,490.33	1,996.30	4,039.45	326.32	240.88
Traffic expenses.....	4,593.00	4,593.00	2,733.08	2,912.19	2,911.06	1,786.36
Transportation, rail line.....	16,746.58	16,363.44	13,155.52	16,158.52	13,553.34	9,779.93
General expenses.....	6,617.03	7,973.06	6,129.39	7,738.83	6,466.20	3,768.41
Total railway operating expenses.....	40,505.58	40,803.42	38,458.89	46,086.70	39,330.50	25,442.82

EXHIBIT 33

The Minneapolis & St. Louis Railroad Co., W. H. Brenner, receiver—Comparative general balance sheet for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investments:						
Investment in road and equipment.....	\$65,174,220.00	\$65,311,021.96	\$65,260,738.00	\$60,430,332.96	\$68,038,292.32	\$68,492,863.08
Improvements on leased railway property.....	50,180.00	51,180.00	49,180.00	48,180.00	30,000.00	30,000.00
Improvements on owned railway property.....	152,705.52	152,978.12	151,033.78	178,400.98	173,352.26	181,763.08
Miscellaneous physical assets.....	369,434.84	369,434.84	369,434.84	369,434.84	210,739.07	210,739.07
Investments in affiliated companies—						
(A) Stocks.....	54,541.98	62,123.19	68,432.33	77,153.46	88,506.22	89,307.01
(D) Advances.....						
Total Investments.....	65,831,988.28	65,976,967.50	65,969,433.95	67,001,051.68	68,544,402.17	69,006,867.57
Current assets:						
Cash.....	721,200.31	688,267.22	923,946.53	1,519,206.22	797,073.35	688,055.69
Loans and bills receivable.....	3,167.00	3,167.00	173,581.55	82,701.77	96,199.29	104,867.44
Traffic and car-service balances receivable.....	146,053.51	146,053.51	146,053.51	146,053.51	146,053.51	146,053.51
Net balance receivable from agents and conductors.....	5,747.52	4,884,497.37	4,094,799.73	4,094,799.73	3,971,900.00	3,831,820.48
Material and supplies.....	2,844,710.45	2,255,523.25	2,221,365.87	565,886.36	541,245.10	541,245.10
Interest and dividends receivable.....	1,522,691.78	1,376,090.66	1,344,060.66	1,037,333.69	1,067,523.69	978,301.16
Rents receivable.....				1,037,690.66	690.66	1,381.32
Total current assets.....	5,748,984.74	4,910,087.99	5,088,663.78	3,608,677.59	2,815,033.67	2,488,844.91
Deferred assets:						
Working fund advances.....	2,755.59	2,808.17	2,808.17	2,808.17	2,408.99	3,110.44
Other deferred assets.....	4,167.12	2,631.57	35,756.14	22,776.75	22,408.83	16,116.86
Total deferred assets.....	6,922.71	5,439.74	38,564.31	25,584.92	25,043.82	19,227.30
Unadjusted debits:						
Rents and insurance premiums paid in advance.....	2,165.34	25,973.39	12,057.23	35,284.80	22,807.20	14,933.51
Discount on capital stock.....	8,339,182.50	8,339,182.50	8,339,182.50	8,339,182.50	8,339,182.50	8,339,182.50
Discount on funded debt.....	1,900,100.90	1,838,383.86	1,734,372.68	1,622,601.21	1,452,780.30	1,363,166.20
Other unadjusted debits.....	4,134,611.36	3,966,894.59	4,168,706.35	3,307,633.17	661,288.45	663,962.03
Total unadjusted debits.....	14,422,060.00	14,200,524.34	14,269,520.96	13,304,703.68	10,506,068.45	10,413,204.24
Grand total.....	\$6,006,925.73	\$5,113,039.57	\$5,356,183.00	\$4,090,017.87	\$1,890,552.11	\$1,928,084.02

LIABILITIES—PRIMARY ACCOUNTS									
Stock:	25,199,710.80	25,219,873.20	25,230,374.20	25,230,642.20	25,232,072.20	25,232,072.20	25,232,072.20	25,232,072.20	25,232,072.20
Capital stock:	25,199,710.80	25,219,873.20	25,230,374.20	25,230,642.20	25,232,072.20	25,232,072.20	25,232,072.20	25,232,072.20	25,232,072.20
Stock liability for conversion:	592,880.20	572,726.80	502,225.80	501,957.80	500,527.80	500,527.80	500,527.80	500,527.80	500,527.80
Total stock:	25,792,600.00	25,792,600.00	25,792,600.00	25,792,600.00	25,792,600.00	25,792,600.00	25,792,600.00	25,792,600.00	25,792,600.00
Governmental grants in aid of construction:	30,865.48	2,226.73	2,321.66	4,094.16	4,094.16	4,094.16	4,094.16	4,094.16	4,185.24
Long-term debt:	45,451,675.79	45,074,725.79	44,897,775.79	44,690,825.79	45,100,031.29	45,100,031.29	45,100,031.29	45,100,031.29	45,096,837.67
Funded debt unmatured:	1,950,000.00	1,950,000.00	1,950,000.00	1,225,000.00	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00
Receiver's certificates:	47,401,675.79	47,024,725.79	46,817,775.79	45,885,825.79	46,309,031.29	46,309,031.29	46,309,031.29	46,309,031.29	46,296,837.67
Total long-term debt:	92,853,341.78	92,049,451.78	91,715,551.78	91,910,845.79	91,300,062.49	91,300,062.49	91,300,062.49	91,300,062.49	91,296,837.67
Current liabilities:	2,855,597.33	2,855,597.33	2,808,287.64	425,541.75	386,633.78	386,633.78	386,633.78	386,633.78	404,785.93
Accounts payable:	1,237,779.72	1,188,779.72	1,160,800.97	4,520,742.09	785,631.79	818,521.73	818,521.73	818,521.73	818,521.73
Traffic and car-service balances payable:	4,950,260.13	4,501,473.44	4,520,742.09	31,354.00	41,010.94	15,659,757.50	15,659,757.50	15,659,757.50	15,659,757.50
Miscellaneous accounts and wages payable:	171,359.10	171,359.10	128,867.75	12,287,460.00	14,290,420.00	14,290,420.00	14,290,420.00	14,290,420.00	14,290,420.00
Accrued interest on bonds:	6,463,182.50	8,402,082.50	10,344,275.00	409,834.17	458,535.03	458,535.03	458,535.03	458,535.03	458,535.03
Funded debt matured unpaid:	477,828.15	471,440.38	409,834.17	543.97	543.97	543.97	543.97	543.97	543.97
Unmatured interest accrued:	478.63	543.97	543.97	543.97	543.97	543.97	543.97	543.97	543.97
Unmatured rents accrued:	16,197,844.33	17,587,114.75	19,433,360.99	14,183,688.78	16,327,380.31	17,874,219.77	17,874,219.77	17,874,219.77	17,874,219.77
Total current liabilities:	6,228.64	2,110.39	3,896.89	5,491,101.92	2,437,943.06	2,437,943.06	2,437,943.06	2,437,943.06	2,452,631.12
Deferred liabilities:									
Unadjusted credits:	636,544.51	647,711.83	658,750.29	674,217.31	676,533.87	676,533.87	676,533.87	676,533.87	692,814.86
Premium on funded debt:	150,828.44	150,828.44	136,349.00	121,680.56	107,390.12	107,390.12	107,390.12	107,390.12	97,737.16
Insurance and casualty reserves:	208,973.56	221,053.66	231,496.19	226,105.15	225,152.85	225,152.85	225,152.85	225,152.85	223,451.17
Accrued depreciation—Equipment:	3,832,015.24	4,172,142.78	4,400,305.05	4,905,689.76	5,250,448.80	5,250,448.80	5,250,448.80	5,250,448.80	5,519,031.11
Other unadjusted credits:	966,984.44	809,367.32	876,972.89	820,761.77	594,144.76	594,144.76	594,144.76	594,144.76	462,623.18
Total unadjusted credits:	5,809,825.73	6,001,104.03	6,362,873.42	6,751,543.55	6,788,670.40	6,788,670.40	6,788,670.40	6,788,670.40	6,905,657.48
Corporate surplus:	79,903.91	85,521.11	88,517.61	88,027.03	88,951.03	88,951.03	88,951.03	88,951.03	90,402.46
Additions to property through income and surplus:	9,309,048.15	11,352,373.23	13,145,163.86	14,167,023.36	16,038,118.14	17,488,449.74	17,488,449.74	17,488,449.74	17,488,449.74
Profit and loss—debit balance:									
Total corporate surplus:	9,229,144.24	11,206,892.12	13,065,645.75	14,074,096.39	15,969,167.11	17,387,047.26	17,387,047.26	17,387,047.26	17,387,047.26
Grand total:	86,008,925.73	85,113,039.57	85,356,183.00	84,080,017.87	81,900,552.11	81,900,552.11	81,900,552.11	81,900,552.11	81,928,084.02

EXHIBIT 34

The Minneapolis & St. Louis Railroad Co., W. H. Brenner, receiver—Statement of income account for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues	\$14,733,725.44	\$14,413,216.09	\$14,450,531.12	\$14,700,905.80	\$12,725,070.99	\$7,157,891.99
Railway operating expenses	13,305,360.30	12,442,315.42	12,381,982.60	11,831,003.78	10,827,660.79	6,394,038.73
Net revenue from railway operations	1,428,365.14	1,970,900.67	2,068,548.52	2,869,902.02	1,897,410.20	703,853.26
Railway tax	750,444.54	700,545.21	700,545.21	700,545.21	700,545.21	413,668.34
Uncollectible railway revenues	2,978.89	3,187.59	3,833.29	2,221.81	4,763.49	3,000.15
Total railway operating income	674,941.71	838,168.47	1,274,926.83	2,075,425.08	1,141,706.91	346,294.88
Nonoperating income:						
Rent from locomotives	9,140.34	9,433.81	13,984.90	8,734.55	8,338.72	2,697.81
Rent from passenger-train cars	15,721.77	11,914.66	12,321.28	11,094.53	9,342.73	94.04
Rent from freight cars	15,721.77	11,914.66	12,321.28	11,094.53	9,342.73	94.04
Joint facility rent income	124,802.52	115,307.53	110,916.35	121,943.98	117,602.45	77,055.77
Income from lease of road	30,174.42	6,070.34	6,003.35	5,904.57	5,910.56	3,870.24
Miscellaneous nonoperating physical property	45,518.64	44,240.97	45,595.54	45,591.40	45,136.15	48,375.97
Miscellaneous income	2,545.16	5,010.05	2,419.98	4,275.65	3,725.77	2,248.61
Dividend income	64,144.00	44,144.00	54,144.00	54,144.00	54,144.00	27,762.66
Income from funded securities	8,582.01	20,520.01	14,000.58	28,557.74	17,000.00	460.00
Income from real estate and accounts	14,470.44	14,470.44	14,470.44	14,470.44	14,470.44	6,352.96
Release of premiums on funded debt						9,032.96
Total nonoperating income	327,023.97	285,891.00	295,256.32	292,838.82	276,070.02	185,856.14
Gross income	1,001,915.68	1,144,049.47	1,540,183.15	2,368,263.90	1,418,387.93	532,150.82
Deductions from gross income:						
Hire of freight cars—debit balance	315,320.81	495,332.48	501,545.58	521,600.73	409,142.86	180,350.50
Rent for locomotives	63,023.16	61,938.52	61,667.59	1,435,233.46	3,694.65	1,519.29
Rent for passenger-train cars	17,731.38	25,300.60	24,972.23	23,726.97	28,450.84	3,275.18
Rent for freight cars	1,034.08	3,544.98	3,671.59	3,189.30	1,943.37	726.23
Joint facility expense	216,134.83	238,185.15	224,387.11	234,584.84	227,275.31	138,175.64
Rent for leased roads	14,647.56	10,346.69	9,500.70	9,069.76	9,063.76	5,923.01
Miscellaneous rents	14,962.37	709.29	900.69	818.62	1,113.96	557.08
Miscellaneous tax accruals	2,068,542.35	2,016,452.08	2,005,738.00	2,467,724.56	2,050,162.28	1,388,124.61
Interest on funded debt	148,189.96	187,900.52	100,040.21	135,029.44	130,200.98	76,989.79
Interest on unfunded debt	130,630.28	135,798.58	135,064.92	139,450.21	139,924.65	89,717.84
Amortization of discount on funded debt	75,914.96	38,383.32	67,406.15	190,322.02	45,298.68	59,741.21
Miscellaneous income charges						
Total deductions from gross income	3,019,051.93	3,208,242.56	3,260,591.27	3,316,375.40	3,109,232.16	1,951,116.94
Net income balance transferred to profit and loss	12,017,136.25	12,064,163.36	11,720,408.12	11,448,000.90	11,090,844.23	11,418,966.12
Deficit.						

EXHIBIT 35

The Minneapolis & St. Louis Railroad Co., W. H. Brenner, receiver.—Statement of railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
OPERATING REVENUES						
Freight	\$12,792,275.50	\$12,580,120.11	\$12,774,023.05	\$12,912,581.62	\$11,392,219.15	\$6,437,177.87
Passenger	1,444,075.27	1,654,144.38	872,624.17	800,854.30	576,492.09	286,182.74
Express baggage	9,833.86	8,266.48	6,431.79	5,365.88	4,944.89	1,474.69
Parlor and chair car						218.85
Mail	285,097.14	288,232.65	312,083.81	489,841.17	325,600.19	214,763.31
Express	290,452.88	247,430.56	249,583.38	244,583.38	176,289.84	188,583.31
Other passenger train	145,132.94	145,275.09	154,609.04	164,633.89	176,865.04	5,679.45
Special service train	2,693.75	5,227.00	1,425.00	3,497.00	3,306.00	1,711.00
Total rail-line transportation revenue	14,654,071.00	14,342,450.41	14,375,539.13	14,623,097.31	12,664,961.77	7,137,298.92
Dining and buffet			2,633.17	3,876.80	5,979.70	3,586.20
Hotel and restaurant			2,507.81	2,571.56	2,431.35	1,511.11
Tramway, train, and boat privileges			2,473.90	2,688.80	2,230.40	1,605.92
Storage						
Freight						
Baggage						
Demurrage						
Telegraph and telephone						
Rents of buildings and other property						
Miscellaneous						
Total incidental operating revenues	67,102.61	58,969.32	61,403.78	62,883.64	51,327.58	24,748.78
Joint facility:						
Credit	12,593.67	11,922.25	13,600.20	14,893.27	9,419.52	5,896.12
Debit	101.84	65.29	11.99	68.42	37.88	21.92
Total joint facility operating revenue	12,491.83	11,856.96	13,588.21	14,824.85	9,381.64	5,844.60
Total railway operating revenues	14,733,725.44	14,413,216.09	14,450,531.12	14,700,905.80	12,725,070.99	7,157,891.99
OPERATING EXPENSES—GENERAL ACCOUNTS						
Maintenance of way and structures	2,459,002.68	2,226,011.31	2,108,292.77	1,872,555.35	1,646,745.27	959,225.29
Maintenance of equipment	3,284,089.35	3,144,561.98	2,816,796.19	2,507,995.91	2,507,175.84	1,430,689.13
Traffic	435,363.15	428,315.41	428,315.41	436,900.26	436,900.26	239,313.13
Transportation—rail line	6,000,000.00	6,000,000.00	6,000,000.00	6,000,000.00	6,000,000.00	3,319,310.69
Miscellaneous operations	2,948.46	2,531.87	6,000,000.00	6,151.85	12,806.45	6,655.70
General	520,139.68	545,934.63	528,938.44	500,868.83	533,186.10	390,600.18
Transportation for investment—Credit	12,040.93	16,153.53	10,733.29	11,938.82	10,142.55	9,177.90
Total railway operating expenses	13,905,360.30	12,842,315.42	12,381,982.60	11,831,003.78	10,827,660.79	6,394,038.73

EXHIBIT 36

Missouri & North Arkansas Railway Co., W. Stephenson, receiver—Comparative general balance sheet for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investments:						
Investment in road and equipment	\$3,933,981.71	\$4,073,310.59	\$4,061,835.40	\$4,205,233.65	\$4,298,972.02	\$4,305,251.78
Miscellaneous physical property	8,119.40	8,462.87	8,119.40	8,119.40	10,101.53	10,668.08
Investments in affiliated companies, (A) stocks	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
Other investments, (B) bonds	24,726.25					
Total investments	3,986,827.45	4,101,773.39	4,110,917.58	4,235,174.67	4,317,073.55	4,335,919.86
Current assets:						
Cash	51,393.50	51,314.18	49,612.46	18,074.33	13,179.44	42,991.64
Special deposits	85.26	42.05	157.19	122.19	123.56	150.21
Loans and bills receivable	317.40					
Traffic and car service balances receivable	10,747.43		15,466.98	34,750.02	42,091.21	26,946.25
Accounts receivable from agents and conductors	11,076.98	7,880.31	6,798.97	6,076.46	8,727.42	5,235.61
Miscellaneous accounts receivable	21,137.50	20,530.80	39,634.04	17,010.77	12,860.65	16,331.93
Material and supplies	185,309.89	176,223.45	182,066.14	172,374.48	182,432.23	167,190.18
Interest and dividends receivable	576.34	939.31	1,604.55	1,175.79	1,108.65	83,711.85
Other current assets						
Total current assets	288,631.69	287,230.10	285,360.33	250,184.04	290,527.18	341,457.67
Deferred assets: Working-fund advances						
Unadjusted debits:						
Rents and insurance premiums paid in advance	1,018.74	1,018.74	1,018.74	1,018.74	1,818.74	1,318.74
Discount on capital stock	3,408.64	3,248.36	3,232.19	2,408.84	2,512.74	3,789.50
Discount on funded debt	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00	2,500,000.00
Other unadjusted debits	2,922.64	2,372.64	1,822.64			
Total unadjusted debits	15,156.85	10,571.63	3,328.35	23,825.15	13,285.62	5,990.71
Total assets	2,621,491.13	2,514,192.63	2,508,383.18	2,508,233.99	2,515,708.26	2,900,726.21
	6,797,969.01	6,876,414.86	6,885,679.83	7,012,611.44	7,095,217.73	7,188,425.48

LIABILITIES						
Capital stock	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Long-term debt:						
Funded debt unamortized	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00
Receiver's certificates	61,000.00	61,000.00	249,000.00	385,000.00	553,000.00	639,000.00
Total long-term debt	3,561,000.00	3,561,000.00	3,749,000.00	3,885,000.00	4,053,000.00	4,139,000.00
Current liabilities:						
Loans and bills payable	75,000.00	75,000.00	78,786.96	75,735.97	85,000.00	75,000.00
Traffic and car service balances payable	17,521.98	26,522.43	14,318.36	16,141.89	11,166.13	5,860.46
Audited accounts and wages payable	327,662.74	398,576.75	425,490.00	459,140.47	469,989.31	389,300.49
Miscellaneous accounts payable	41,709.80	3,701.29	765,154.37	945,138.06	516.52	1,403,446.67
Accounts payable—Equipment	42,540.00	63,122.43	765,154.37	945,138.06	516.52	1,403,446.67
Unamortized interest accrued	129,540.00	133,122.43	135,233.41	137,037.83	137,037.83	137,037.83
Unamortized rents accrued	1,218.75	1,218.75	1,218.75	1,218.75	1,218.75	1,218.75
Other current liabilities	6,255.39	4,874.21	5,681.91	4,652.58	2,493.13	2,260.79
Total current liabilities	957,434.06	1,200,002.87	1,381,813.16	1,570,646.10	1,732,918.79	1,969,124.09
Deferred liabilities: Other deferred liabilities						
Unadjusted credits:						
Tax liability	545.37	1,025.97	823.97	621.97	3,708.13	3,178.68
Accrued depreciation—Equipment	19,885.74	20,984.04	21,796.35	21,576.87	23,592.20	16,474.50
Other unadjusted credits	100,651.23	121,583.55	121,927.85	135,268.22	162,486.31	181,349.45
Total unadjusted credits	44,360.08	31,992.39	28,920.30	35,612.27	26,940.50	13,333.41
Corporate surplus: Additions to property through income and surplus	164,997.05	174,590.88	172,644.50	192,400.36	212,719.01	211,157.36
Profit and loss balances (deficit)	6,164.68	10,051.69	10,131.45	10,229.45	10,229.45	10,745.22
Total corporate surplus (deficit)	831,172.17	1,070,236.45	1,428,733.25	1,644,346.44	1,917,337.65	2,144,779.87
Total liabilities	825,007.49	1,060,174.86	1,418,601.80	1,636,116.99	1,907,128.20	2,134,034.65
	6,797,969.01	6,876,414.86	6,885,679.83	7,012,611.44	7,095,217.73	7,188,425.48

EXHIBIT 37

Missouri & North Arkansas Railway Co., W. Stephenson, receiver—Income account for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues.....	\$1,749,094.41	\$1,032,012.18	\$1,054,405.81	\$1,933,823.75	\$1,632,444.30	\$812,271.19
Railway operating expenses.....	1,745,259.65	1,566,966.04	1,512,074.47	1,724,226.31	1,457,364.80	763,824.98
Net revenue from railway operations.....	13,824.76	115,046.14	142,391.34	209,597.44	175,079.50	48,446.21
Railway tax accruals.....	27,145.03	28,470.60	30,097.09	30,345.15	28,885.01	19,042.21
Uncollectible railway revenues.....	1,260.16	697.30	433.10	391.15	414.91	1,427.02
Total railway operating income.....	114,010.43	86,448.24	111,260.55	178,801.14	146,779.58	27,976.98
Nonoperating income:						
Rent from locomotives.....			316.87	890.00	1,068.25	187.50
Rent from passenger-train cars.....			10.00			
Rent from work equipment.....	150.00	448.00	820.46	1,336.59	1,068.50	147.00
Joint-facility rent income.....	4,007.30	9,047.24	5,312.21	2,959.15	3,030.78	2,000.26
Miscellaneous rent income.....	1,092.50	3,292.07	3,431.49	2,945.99	3,373.95	3,093.63
Income from funded securities.....	1,072.65	6.53		8.53	80.00	496.72
Income from unlinked securities and accounts.....	9,978.81	13,800.58	9,897.03	8,140.26	8,648.48	5,894.11
Total nonoperating income.....	14,031.62	100,248.82	121,157.88	187,001.40	154,428.06	33,871.09
Gross income.....	97,517.75	90,395.63	94,353.28	122,076.72	111,192.02	48,792.81
Deductions from gross income:						
Hire of freight cars, debit balance.....	1,182.04	320.80	243.78	219.24	220.44	146.26
Rent for locomotives.....	292.10	41.66	161.60	190.51	3,970.98	176.50
Rent for passenger-train cars.....	50,315.96	49,493.17	50,023.80	49,401.41	50,250.40	546.89
Joint-facility rents.....	210,000.00	986.55	210,000.00	210,000.00	210,000.00	36,240.37
Interest on funded debt.....	2,440.33	6,426.71	9,599.95	17,542.01	32,761.81	140,000.00
Amortization of discount on funded debt.....	363,270.43	358,232.84	366,226.51	401,308.70	408,988.11	24,210.85
Total deductions from gross income.....	1,867,902.05	1,257,864.02	1,245,068.93	1,214,304.30	1,254,470.05	251,471.95
Net income balance transferred to profit and loss.....	1,867,902.05	1,257,864.02	1,245,068.93	1,214,304.30	1,254,470.05	1,217,600.86
Debit.						

EXHIBIT 38

Missouri & North Arkansas Railway Co., W. Stephenson, receiver—Railway operating revenues and expenses for years ended December 31, 1926 to 1930, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$1,445,161.02	\$1,398,071.23	\$1,410,108.07	\$1,677,993.04	\$1,474,171.22	\$743,912.81
Passenger.....	190,870.62	172,985.51	133,088.15	110,830.84	67,298.62	18,938.72
Excess baggage.....	1,243.48	917.83	571.75	381.09	210.58	43.41
Mail.....	44,062.53	44,188.67	47,184.83	71,295.93	51,698.13	33,478.77
Express.....	46,388.16	44,394.09	42,592.77	40,919.19	23,776.35	12,241.73
Other passenger train.....	138.21	51.60	1,134.55	2,519.37	1,288.54	15.00
Milling.....			3,705.75	5,655.95	2,520.30	2.00
Switching.....	6,391.00	5,194.80				1,269.90
Special-service train.....				2,450.00		
Total rail-line transportation revenue.....	1,743,263.22	1,666,443.80	1,644,514.05	1,921,149.71	1,623,922.09	809,901.04
Station, train, and boat privileges:						
Station, freight.....	1,797.92	1,445.98	677.39	73.28	328.36	44.50
Storage, freight.....	1,764.69	1,448.82	1,166.09	1,238.26	1,133.12	322.80
Storage, baggage.....	141.11	135.84	98.16	68.90	38.40	7.66
Demurrage.....	10,016.00	3,437.00	3,102.70	4,181.65	2,607.10	927.25
Telegraph and telephone.....	574.53	568.70	541.04	482.72	435.47	234.64
Miscellaneous.....	995.71	8,597.75	3,896.35	6,244.44	1,598.70	555.45
Total incidental operating revenue.....	15,280.26	15,624.09	9,472.33	12,267.27	6,102.15	2,092.39
Joint-facility operating revenue (credit).....	531.03	544.29	479.43	406.77	420.06	277.76
Total railway operating revenues.....	1,759,084.41	1,682,612.18	1,654,465.81	1,933,823.75	1,632,444.30	812,271.19
OPERATING EXPENSES						
Maintenance of way and structures.....	583,049.36	496,238.40	399,475.34	448,630.42	396,283.91	186,132.83
Maintenance of equipment.....	283,842.45	197,664.14	231,857.33	322,599.86	206,294.71	113,720.86
Traffic expenses.....	108,950.85	117,211.61	115,409.28	117,497.54	120,013.78	75,069.20
Transportation expenses.....	676,613.97	689,346.62	693,960.90	726,364.72	635,790.94	325,856.39
Miscellaneous operations.....			3,064.49	5,981.49	99,301.53	64,043.53
General expenses.....	88,803.52	96,891.54	98,957.09	104,835.07	99,301.53	64,043.53
Transportation for investment (credit).....				2,663.39	1,267.11	1,023.88
Total.....	1,745,259.65	1,566,966.04	1,512,074.47	1,724,226.31	1,457,364.80	763,824.98

EXHIBIT 39

Salt Lake & Utah Railroad Co., D. P. Abercrombie, receiver—Comparative general balance sheet, years ended December 31, 1926, to 1930 inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investments:						
Road and equipment	\$7,906,013.57	\$7,967,483.20	\$7,973,900.28	\$8,051,364.92	\$5,378,000.63	\$5,389,778.18
Deposits in lieu of mortgaged property sold				90.00	90.00	90.00
Miscellaneous physical property	16,711.34	16,335.50	16,335.50	15,980.00	15,786.50	15,786.50
Investments in affiliated companies: (A) Stocks	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Other investments: (A) Stocks	220.00	220.00	220.00	220.00	220.00	220.00
Total investments	8,082,944.91	8,084,039.70	8,090,460.78	8,167,611.42	5,494,187.13	5,505,874.68
Current assets:						
Cash	39,223.74	36,461.28	20,180.73	23,446.89	7,460.08	9,784.17
Special deposits	384.60	384.60	6,284.30	11,077.84	21,330.40	21,330.40
Loans and notes receivable	61,475.50	62,725.50	65,510.50	70,044.36	87,131.76	119,273.10
Miscellaneous accounts receivable	127,377.79	135,355.80	137,655.01	183,584.18	115,491.81	112,142.82
Material and supplies	69,490.77	77,252.04	75,341.18	72,387.35	78,052.56	64,423.30
Other current assets						
Total current assets	297,952.40	312,179.22	304,921.72	360,540.62	309,471.07	311,847.85
Deferred assets:						
Insurance and other funds						
Other deferred assets						
Total deferred assets						
Unadjusted debits:						
Rents and insurance premiums paid in advance	1,089.80	3,753.22	3,176.75	2,085.31	4,602.25	3,988.93
Discount on capital stock	26,758.74	24,358.74	13,558.74	13,558.74	2,700,000.00	2,700,000.00
Discount on funded debt	93,644.44	84,218.08	75,426.85	69,416.02	60,315.21	57,307.83
Other debits	3,147.16	1,021.09	28,403.55	18,686.61	28,407.00	23,716.25
Securities issued or assumed						
Unpledged						
Pledged						
Total unadjusted debits	122,900.54	113,351.13	120,565.89	104,346.68	2,793,324.46	2,785,213.01
Grand total	8,508,857.85	8,509,570.14	8,516,094.39	8,632,638.72	8,597,103.26	8,611,005.54

LIABILITIES						
Capital stock	5,043,700.00	5,043,700.00	5,043,700.00	5,043,700.00	5,043,700.00	5,043,700.00
Long-term debt:						
Funded debt unamortized	2,602,176.73	2,598,018.72	2,532,320.08	2,242,797.74	2,295,795.87	2,249,003.17
Receiver's certificates	100,000.00	145,000.00	200,000.00	200,000.00	285,000.00	280,000.00
Total long-term debt	2,702,176.73	2,713,018.72	2,732,320.08	2,442,797.74	2,580,795.87	2,529,003.17
Current liabilities:						
Loans and notes payable	177,070.03	180,515.85	151,515.85	171,515.85	151,515.85	164,015.85
Audited accounts and wages payable	8,124.64	7,647.76	11,003.70	41,591.40	54,802.62	42,678.62
Miscellaneous accounts payable	148,604.83	153,077.85	170,340.00	205,376.84	160,088.39	160,087.47
Accrued interest, dividends, and rents unpaid	388,892.91	539,402.36	721,656.91	994,738.64	1,102,956.08	1,210,197.53
Material and supplies unpaid	31,400.00	47,100.00	62,800.00	333,500.00	340,200.00	394,000.00
Accrued interest, dividends, and rents payable	31,777.03	27,622.11	24,598.75	22,647.47	22,662.41	46,888.08
Other current liabilities					182.07	280.76
Total current liabilities	755,559.44	955,265.83	1,141,916.11	1,679,268.20	1,841,418.02	1,988,751.30
Deferred liabilities:						
Liabilities to accident funds	12.08	38.20	55.08	77.12	7,283.92	7,283.92
Other deferred liabilities				9,013.84	1,285.38	1,285.38
Total deferred liabilities	12.96	38.20	55.08	9,090.96	1,285.38	8,571.30
Unadjusted credits:						
Tax liability	1,657.50	1,657.50	1,687.50	12,943.67	12,776.12	28,000.00
Other credits	13,400.89	18,228.16	23,691.58	289,340.09	284,164.90	14,988.91
Accrued depreciation (road and equipment)	175,377.16	191,103.33	215,099.53	239,340.09	90,197.51	302,586.58
Reserve for amortization of franchises	9,627.82	17,788.70	16,687.38	20,762.24	9,878.32	62,444.55
Other unadjusted credits						10,316.60
Total unadjusted credits	197,787.37	226,442.69	254,790.99	273,035.90	367,016.85	418,540.64
Corporate surplus: Profit and loss, debit balance	106,378.67	429,805.40	656,687.87	815,234.08	1,207,112.96	1,387,553.87
Grand total	8,608,857.85	8,609,570.14	8,516,094.39	8,632,638.72	8,597,103.26	8,611,005.54
Debits:						

EXHIBIT 40

Salt Lake & Utah Railroad Co., D. P. Abercrombie, receiver—Comparative income statement for the years ending December 31, 1926 to 1930 inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues.....	\$731,130.70	\$633,298.57	\$654,437.66	\$810,337.60	\$777,390.86	\$375,862.34
Railway operating expenses.....	607,096.10	623,723.43	635,449.06	722,290.63	676,708.19	382,560.60
Net revenue, railway operations.....	124,034.60	14,575.14	18,988.60	88,046.97	50,682.67	16,098.26
Taxes assignable to railway operations.....	59,338.24	44,758.10	48,474.17	40,183.84	45,322.62	27,952.02
Operating income.....	64,696.36	1,301,986.96	1,24,485.57	47,873.13	7,150.05	1,34,630.28
Nonoperating income:						
Income from undated securities and accounts.....	774.31	573.55	581.83	500.17	353.11	122.14
Miscellaneous income.....	2,414.43	15.80				
Total nonoperating income.....	3,207.35	573.55	581.83	500.17	353.11	122.14
Gross income.....	67,903.71	1,295,616.41	1,25,067.40	48,373.30	7,503.16	1,34,752.42
Deductions from gross income:						
Miscellaneous items.....	40.00	44.00	7.00	260.50	431.88	
Net loss on miscellaneous physical property.....	167,478.41	81.70	44.90	2,953.09	134,941.50	90,407.55
Interest on funded debt.....	19,072.04	109,194.90	109,786.47	142,389.71	81,735.88	52,710.46
Interest on unfunded debt.....	9,426.36	21,988.27	25,507.89	54,461.95	5,222.32	2,707.38
Amortization of discount on funded debt.....	27.65	9,426.36	8,791.23	6,010.83	5,222.32	35.20
Miscellaneous debits.....		732.64	396.08	81.63	255.72	
Total deductions from gross income.....	196,044.46	201,488.87	204,526.57	204,157.71	222,587.30	145,860.99
Income balance transferred to profit and loss.....	1,128,138.75	1,231,102.28	1,228,480.31	1,157,784.41	1,215,084.14	1,180,369.63
Debit.....						

EXHIBIT 41

Salt Lake & Utah Railroad Co., D. P. Abercrombie, receiver—Comparative statement of railway operating revenues and expenses for calendar years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
RAILWAY OPERATING REVENUES						
Revenue from transportation:						
Passenger revenue.....	\$218,086.95	\$211,278.97	\$203,818.77	\$202,391.48	\$165,085.54	\$83,722.92
Freight revenue.....	472.45	335.35	488.59	377.71	233.46	233.46
Mail revenue.....	1,220.82	1,640.13	1,899.82	2,220.41	2,127.10	1,569.94
Express revenue.....	16,915.24	14,133.56	13,570.74	15,140.44	14,195.81	6,523.59
Milk revenue.....	1,090.46	1,331.30	982.12	627.36	555.92	315.67
Freight revenue.....	490,090.75	393,599.66	417,769.55	571,281.89	527,138.30	273,452.05
Switching revenue.....	988.95	1,467.30	1,643.14	2,598.00	2,128.00	1,376.06
Total revenue from transportation.....	718,814.62	623,845.27	640,042.73	794,587.32	711,444.13	367,060.10
Revenue from other railway operations:						
Station and car privileges.....	3,748.80	3,179.16	1,245.00	1,083.32	1,109.68	737.41
Storage.....	251.06	219.31	307.96	283.03	282.03	185.25
Remuneration on freight.....	1,820.00	1,909.00	916.00	2,622.00	2,714.00	1,284.00
Rent of tracks and facilities.....						
Rent of equipment.....	4,879.22	4,834.25	8,437.70	8,458.64	8,093.25	3,702.50
Rent of buildings and other property.....	1,617.00	3,497.30	3,362.02	2,914.15	3,670.96	2,585.53
Miscellaneous.....				236.00	88.87	7.45
Total revenue from other railway operations.....	12,316.08	14,444.30	14,394.93	15,760.28	15,936.73	8,802.24
Total operating revenue.....	731,130.70	638,289.57	654,437.66	810,337.60	727,380.86	375,862.34
RAILWAY OPERATING EXPENSES						
Way and structures.....	100,002.51	104,929.67	123,697.03	128,182.77	118,216.81	54,000.00
Equipment.....	64,988.13	74,555.90	61,809.44	72,176.73	75,655.82	45,757.41
Operating expenses.....	183,328.69	181,616.42	81,397.97	98,588.34	93,166.26	54,375.93
Conducting transportation.....	14,563.11	13,067.14	13,067.14	13,067.14	13,067.14	13,067.14
Traffic expense.....	14,563.11	13,067.14	13,067.14	13,067.14	13,067.14	13,067.14
General and miscellaneous.....	194,608.57	193,210.51	201,979.62	231,237.35	197,264.17	112,024.65
Transportation for investment—credit.....	13,975.50	1,375.00	1,620.00			
Total operating expenses.....	607,096.10	623,723.43	635,449.06	722,290.63	676,708.19	382,560.60
Debit.....						

EXHIBIT 42
Seaboard Air Line Railway (L. R. Powell, Jr., and E. W. Smith, receivers)—Comparative general balance sheet for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930 1	8 months ended Aug. 31, 1931 1
ASSETS						
Investments:						
Investment in road and equipment	\$232,343.31	\$237,004.75	\$239,792.41	\$240,940.31	\$244,730,015.94	\$245,771,722.77
Improvements on leased railway property	111,237.67	168,710.51	171,722.02	163,435.31	240,427.33	442,134.16
Sinking funds	11,497.26	189,549.43	142,895.53	43,330.73	26,114.83	752.73
Deposits in lieu of mortgaged property sold	163,461.69	4,145,929.12	4,243,511.19	4,369,599.80	4,268,180.55	4,185,648.22
Miscellaneous physical property	3,731,648.57	3,604,612.32	9,333,821.80	9,378,821.80	9,587,019.80	9,587,019.80
Investments in affiliated companies—	1,496,400.50	8,363,290.85	8,363,290.85	10,825,406.90	10,598,516.55	10,598,516.55
(A) Bonds	1,496,400.50	1,778,290.85	1,751,725.15	1,800,425.64	1,871,820.38	1,871,820.38
(B) Notes	1,496,400.50	15,713,891.56	11,276,560.20	10,151,046.82	7,681,279.78	7,587,052.78
(C) Advances	12,090,851.99	15,713,891.56	1,422,721.82	1,422,721.82	1,915,273.82	1,915,273.82
(D) Other investments—	453,021.82	1,423,022.82	1,422,721.82	1,422,721.82	1,444,904.71	1,444,904.71
(A) Stocks	17,850.00	799,688.64	30,365.54	754,428.97	27,886.00	27,886.00
(B) Bonds	90,625.50	871,821.92	195,464.47	1,657,444.02	272,605.30	321,283.39
(C) Advances	1,755,525.52	298,144,531.05	276,724,736.63	281,537,685.43	282,605,424.82	283,827,441.10
(D) Other investments	237,987,976.05	298,144,531.05	276,724,736.63	281,537,685.43	282,605,424.82	283,827,441.10
Total investments	237,987,976.05	298,144,531.05	276,724,736.63	281,537,685.43	282,605,424.82	283,827,441.10
Current assets:						
Cash	6,100,558.24	3,865,355.46	2,694,928.39	2,208,048.86	3,282,890.08	8,220,916.32
Notes and bills receivable	2,518,324.56	1,013,272.56	977,660.75	973,071.75	1,020,452.50	278,725.50
Loans and bills receivable	28,400.00	86,483.75	1,836,640.19	193,281.03	275,016.92	298,505.83
Traffic and car-service balances receivable	1,535,140.00	1,300,401.09	1,839,401.04	1,630,666.97	1,433,053.04	384,292.85
Net balance receivable from agents and conductors	588,147.94	37,277.37	2,322,295.82	7,147,544.77	483,112.21	336,673.90
Miscellaneous accounts receivable	2,285,901.24	1,680,533.61	2,322,295.82	2,787,544.77	2,483,112.21	336,673.90
Material and supplies	7,533,910.90	5,558,179.14	3,979,866.83	3,812,669.83	3,200,198.65	2,913,123.16
Interest and dividends receivable	108,499.29	409,403.45	464,464.04	449,017.49	150,433.61	171,716.00
Other current assets	13,899.32	4,076.04	4,476.04	4,243.79	947.26	82,970.87
Total current assets	412,224.52	112,540.38	100,887.97	443,000.52	150,145.59	82,970.87
Total assets	21,144,211.55	14,400,740.49	14,702,915.60	12,918,332.17	12,180,064.12	16,502,898.33
Deferred assets:						
Working-fund advances	57,448.20	78,400.80	69,350.10	72,307.10	69,067.15	60,019.98
Other deferred assets	197,644.33	396,577.00	182,185.77	199,300.90	125,681.44	142,190.94
Total deferred assets	255,092.53	474,977.80	251,535.87	271,588.00	194,748.59	202,210.92

Unadjusted debits:	400,583.14	290,762.84	228,561.74	276,882.36	246,599.62	275,121.03
Debits and insurance premiums paid in advance	5,868,822.57	1,520,449.08	815,374.49	859,816.67	1,099,965.91	1,092,391.86
Dividends receivable	1,317,100.00	2,431,100.00	3,859,577.00	7,142,100.00	1,142,100.00	1,142,100.00
Other unadjusted debits	132,177,432.27	141,787,277.37	152,577,277.37	168,071,254.37	150,172,254.37	160,172,254.37
Securities issued or assumed (unpledged)						
Securities issued or assumed (pledged)						
Total unadjusted debits	7,981,344.19	1,811,211.92	1,043,936.23	1,136,099.03	1,346,555.53	1,367,820.95
Grand total	287,318,624.62	284,531,461.26	292,723,124.33	290,864,454.63	296,327,383.06	301,900,380.30
LIABILITIES						
Capital stock:						
Total book liability	67,314,100.00	67,314,100.00	67,314,100.00	67,314,100.00	67,314,100.00	67,314,100.00
Respondent's holdings	6,363,600.00	6,363,600.00	6,363,600.00	6,363,600.00	6,363,600.00	6,363,600.00
Total stock	60,950,500.00	60,950,500.00	60,950,500.00	60,950,500.00	60,950,500.00	60,950,500.00
Governmental grants: Grants in aid of construction						
Long-term debt:						
Funded debt unamortized—						
General liability	310,779,712.37	225,100,445.21	343,037,942.21	348,906,602.21	347,948,969.21	338,087,969.21
Respondent's holdings	127,130,952.27	137,854,777.37	150,073,254.37	158,840,754.37	170,694,754.37	173,031,754.37
Nonnegotiable debt to affiliated companies: (B) Open accounts	183,948,790.00	187,245,667.84	192,994,687.84	190,056,847.84	177,024,214.84	165,056,214.84
Total long-term debt	1,664,467.88	1,246,368.62	555,665.63	570,665.63	367,989.76	320,695.63
Current liabilities:						
Loans and bills payable	185,313,227.88	188,492,036.46	193,520,383.77	190,627,543.77	177,392,204.60	169,376,910.77
Traffic and car-service balances payable						
Audited accounts and wages payable	1,403,414.24	1,050,000.00	2,050,000.00	3,314,275.50	1,111,883.92	862,648.08
Miscellaneous accounts payable	6,736,510.65	5,060,841.54	5,315,379.72	6,095,514.25	4,779,735.32	7,457,525.37
Dividends payable	522,333.59	320,108.28	364,437.22	309,553.97	292,841.43	388,372.86
Funded debt matured unpaid	821,510.97	847,560.66	810,195.75	808,756.75	1,158,249.50	5,265,204.20
Unamortized interest accrued	114,946.00	140,657.20	150,000.00	148,000.00	1,153,100.00	11,010,100.00
Unamortized interest accrued	2,573,332.79	2,638,343.49	2,132,729.00	3,798,690.44	2,600,000.00	2,106,248.70
Other current liabilities	363,025.16	114,862.37	92,379.55	101,351.89	91,683.84	71,624.86
Total current liabilities	13,362,026.00	12,044,515.70	12,804,497.97	15,961,294.80	11,687,051.54	27,150,724.07
Deferred liabilities: Other deferred liabilities						
	494,700.00	505,636.43	955,864.69	946,223.27	680,077.03	712,467.70

See footnotes at end of table.

Seaboard Air Line Railway, L. R. Powell, jr., and E. W. Smith, receivers—Income account for the years 1928 to 1930, inclusive, and for the eight months ended August 31, 1931

Miscellaneous receipts	6,513.43	9,076.07	18,463.06	14,323.45	15,889.67	10,000.00
Interest on funded debt	8,927.51	9,726.70	8,765.02	8,765.02	9,479.92	9,611,026.40
Interest on unfunded debt	325,108.15	74,978.91	178,048.91	206,946.69	383,198.91	10,000.00
Amortization of discount on funded debt	54,764.55	52,883.60	48,728.52	30,371.12	38,440.16	11,685.53
Miscellaneous income charges						
Total deductions from gross income	13,626,200.43	13,966,734.33	12,416,052.37	12,453,392.47	12,950,635.49	7,573,457.19
Net income	3,178,810.88	31,990.09	1,180,207.66	1,011,678.01	4,586,630.34	3,984,862.12
Disposition of net income: Applied to sinking and other reserve funds	140.82	13.55	14.30	14.67	12.95	
Income balance transferred to profit and loss	3,178,670.06	31,976.54	1,180,283.36	1,011,663.34	4,598,633.29	3,984,862.12

Combined corporate and receivers accounts. Receivership effective as of midnigh. Dec. 23, 1930.

1. Account "Rent for leased roads," subsequent to receivership, includes rental on the following-named properties, viz.: Brooksville & Inverness Ry., Charlotte Harbor & Northern Ry. Co., Central of Georgia Ry., Georgia & Alabama Terminal Co., Georgia Power Co., Georgia, Florida & Alabama R. Co., McRae Terminal Co., Prince George & Chesterfield Ry., Tampa Northern R. Ry., charged to income in the receivers, accounts, but is subject to adjustment. Account "Rent for leased roads" does not include accrual of charge to income for company's liability for rental subsequent to the date of receivership for lease of road on the following-named properties, viz.: Seaboard All Florida Ry., Florida Western & Northern R. Co., East and West Coast Ry., Tampa & Gulf Coast R. Co., Naples, Seaboard & Gulf Ry. Co. Receivers have disaffirmed, pursuant to the order of the court, the lease on the first 3 above-mentioned leased roads and have determined not to pay the rental on the last 2 mentioned leased lines. The amount of such accrual charge to income will be determined after Aug. 31, 1931.

will be determined after Aug. 31, 1931.

Account "Interest on funded debt," subsequent to receivership, includes interest on the principal of the company's funded debt at the same interest rates accrued prior to the receivership. In the case of Seaboard Air Line Ry., refunding mortgage bonds, pending determination by the court in the receivership cause of the company's liability for interest on such bonds at the increased rate of 5 per cent annum from and after Mar. 6, 1931, the date of declaration by the mortgage trustees of maturity of these bonds. No accrual of interest on unpaid interest is included in the above income account, as liability therefor is for future determination by said court.

⁴ Deficit.

EXHIBIT 44

Seaboard Air Line Railway, L. R. Powell, Jr., and E. W. Smith, receivers—Railway operating revenues and expenses for the years 1928 to 1930, inclusive, and for the eight months ended August 31, 1931

	1928	1927	1928	1929	1930 ¹	8 months ended Aug. 31, 1931 ¹
OPERATING REVENUES						
Class of railway operating revenues:						
Freight.....	\$48,838,190.26	\$40,431,657.97	\$48,844,106.26	\$44,707,050.35	\$39,190,801.13	\$24,498,275.90
Passenger.....	12,213,236.58	9,714,727.70	7,968,388.22	7,230,319.86	5,723,095.00	3,195,575.55
Excess baggage.....	85,449.00	72,795.86	1,437.34	1,544,463.54	43,133.23	22,510.93
Parlor and chair car.....	100.00	5,136.57	1,437.34	1,079,098.22	1,133,084.61	1,787,838
Mail.....	1,065,971.35	1,067,174.02	1,113,305.83	2,112,446.07	1,734,863.00	747,374.25
Express.....	2,211,492.15	2,251,796.19	2,104,378.42	1,114,518.75	1,131,511.72	1,131,511.72
Other passenger train.....	38,292.88	26,030.31	21,593.00	424,430.68	370,789.03	205,188.90
Milk.....	466,885.40	414,645.72	416,826.22	17,139.19	20,032.54	3,048.78
Switching.....	18,477.84	16,245.32	12,182.07	3,237.00	3,486.00	3,407.00
Special-service train.....	2,568.00	2,053.50	2,738.00			
Water transfers, other.....						
Total rail-line transportation revenue.....	65,227,908.06	60,107,707.64	55,708,821.86	56,071,736.58	48,326,734.13	29,831,065.43
Dining and buffet.....	673,790.96	607,395.10	596,139.58	594,384.98	405,193.44	239,524.60
Hotel and restaurant.....	1,738.26	1,008.35	1,734.81	1,720.82	1,309.42	747.50
Station, train, and boat privileges.....	34,726.06	27,978.51	20,028.98	16,376.73	12,030.12	5,226.30
Paved room.....	2,253.30	1,319.60	1,041.80	1,061.45	875.72	406.40
Storage, freight.....	161,333.37	121,661.92	111,750.62	109,347.48	96,695.11	57,068.48
Storage, baggage.....	2,643.33	2,842.36	2,282.82	1,965.03	1,442.28	614.16
Power.....	302,513.41	175,453.58	134,066.86	120,083.78	87,133.19	49,557.29
Rents of buildings and other property.....	2,531.41	12,371.80	17,377.18	17,085.18	19,767.78	13,467.90
Miscellaneous.....	438,064.21	643,938.67	648,476.61	643,706.06	680,820.60	348,534.58
Total incidental operating revenues.....	1,630,864.57	1,611,310.42	1,483,270.15	1,428,930.74	1,311,797.42	728,907.13
Joint facility (credit).....	68,195.05	72,038.01	53,994.30	52,765.86	41,107.36	26,988.52
Joint facility (debit).....	2,114.48	928.14	878.18	1,545.05	589.97	345.57
Total joint-facility operating revenue.....	66,080.57	71,131.87	53,115.12	51,220.81	40,517.39	26,653.25
Total railway operating revenues.....	67,024,853.80	61,790,149.93	57,245,207.13	58,151,908.13	49,079,048.94	30,586,645.81
OPERATING EXPENSES						
Maintenance of way and structures.....	8,984,653.41	7,637,801.30	6,877,946.85	7,272,642.90	7,146,258.41	4,933,548.32
Maintenance of equipment.....	10,122,638.95	9,638,938.18	9,554,021.42	10,224,457.95	9,303,580.87	5,793,618.57

EXHIBIT 45

Shearwood Railway Co.—General Balance Sheet for the years ended December 31, 1928 to 1930, inclusive, and for the eight months ended August 31, 1931

	1928	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investment in road and equipment.....	\$369,089.40	\$368,249.25	\$354,631.40	\$354,932.05	\$354,932.05	\$354,932.05
Other investments.....	109,000.00	109,000.00	109,000.00	109,000.00	109,000.00	109,000.00
Cash.....	222.65	224.52	150.00	150.00	150.00	150.00
Traffic and car service balances receivable.....	271.65	2,160.43	1,118.10	468.09	169.18	568.03
Interest on bonds from agents and conductors.....	6,293.27	6,293.19	6,024.39	6,324.55	496.50	2,779.87
Miscellaneous accounts receivable.....	375.07	700.68	815.40	6,337.27	6,746.49	1,026.40
Material and supplies.....	1,500.00	1,500.00	1,500.00	457.25	183.90	6,522.82
Other current assets.....				1,500.00	1,500.00	1,500.00
Other unadjusted debits.....				1,362.75	1,362.75	1,362.75
Total.....	379,139.30	379,934.66	366,706.34	367,053.55	365,970.72	369,244.18
LIABILITIES						
Capital stock.....	109,000.00	109,000.00	109,000.00	109,000.00	109,000.00	109,000.00
Special fund for conversion.....	109,000.00	109,000.00	109,000.00	109,000.00	109,000.00	109,000.00
Loans and bills payable.....	11,512.31	5,794.20	5,204.46	15,599.93	13,799.93	8,447.99
Traffic and car service balances payable.....	4,510.73	4,236.34	2,932.31	1,193.11	1,367.60	12,799.93
Audited accounts and wages payable.....	12,883.85	7,824.02	9,034.44	5,901.58	5,697.60	3,497.75
Miscellaneous accounts payable.....	9,708.50	7,713.95	579.26	40.63	478.74	8,940.48
Interest matured unpaid.....	64,485.00	75,405.00	87,375.00	97,143.67	107,899.88	8,652.08
Other current liabilities.....	136.45	5,155.00	700.00	10,355.04	11,373.00	115,314.79
Accrued depreciation, equipment.....	19,314.29	18,788.50	10,111.44	11,588.28	13,672.00	12,286.18
Profit and loss—debit balance.....	1,01,004.91	1,58,967.75	1,69,288.81	1,80,433.53	1,90,096.51	1,98,943.10
Total.....	379,139.30	379,934.66	366,706.34	367,053.55	365,970.72	369,244.18
Debit.....						

Traffic expenses.....	2,371,599.35	2,531,358.69	2,396,002.35	2,382,798.66	2,338,124.85	1,430,761.83
Transportation.....	24,604.30	23,765,562.40	21,103,592.82	20,161,338.54	18,467,953.03	11,193,422.57
Miscellaneous operations.....	99,116.99	97,569.30	99,116.99	103,812.78	103,812.78	103,812.78
General expenses.....	2,290,995.79	2,500,859.35	2,300,771.04	2,145,915.75	2,029,942.21	1,413,872.34
Transportation for investment.....	3,357,278.79	1,890,581.16	1,123,027.64	3,539,889.65	3,116,900.26	1,116,338.57
Total railway operating expenses.....	49,253,001.64	46,873,315.06	42,902,963.97	42,587,556.74	39,049,874.03	25,041,373.08

¹ Combined corporate and receivers' accounts; receivership effective as of midnight, Dec. 23, 1930.
² Credit.

EXHIBIT 46

Shearwood Railway Co.—Income statement for the years ending December 31, 1926 to 1930, inclusive, and for the eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues	\$58,838.78	\$60,263.37	\$52,530.64	\$55,837.21	\$52,112.78	\$41,603.29
Railway operating expenses	36,231.59	43,064.51	45,536.87	43,959.17	39,603.16	36,614.95
Net revenue from railway operations	2,627.14	17,198.86	7,193.77	11,878.04	13,609.62	5,018.34
Railway tax accruals	1,968.96	1,968.96	2,144.28	1,895.28	1,942.30	1,238.56
Railway operating income	668.18	15,199.90	5,049.49	9,992.76	10,667.32	3,789.78
Rent from locomotives	220.00					
Gross income	878.18	15,199.90	5,049.49	9,992.76	10,667.32	3,789.78
Deductions from gross income:						
Hire of freight cars—Debit balance	5,986.00	5,016.00	5,127.00	5,857.98	5,630.00	1,272.00
Rent for locomotives	179.46	368.70		591.39	1,789.74	1,789.52
Interest on funded debt	2,132.43	1,794.46	179.46	179.46	179.46	
Interest on unfunded debt	12,034.60	11,873.87	2,224.48	1,443.31	1,413.22	934.24
Total deductions from gross income	400.18	11,873.87	11,700.00	11,868.67	11,650.99	7,659.05
Net income—Debit	20,684.12	19,818.81	19,016.80	21,324.72	20,780.84	11,832.70
Net income—Debit	119,805.94	14,618.91	114,567.31	111,326.96	110,213.42	18,042.92

¹ Debit.

EXHIBIT 47

Shearwood Railway Co.—Railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for the eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
RAILWAY OPERATING REVENUES						
Freight revenue	\$54,731.29	\$58,064.37	\$48,570.21	\$45,573.03	\$47,069.35	\$38,233.43
Passenger revenue	730.55	632.53	2,947.55	9,116.54	3,994.94	1,543.45
Mail revenue	2,204.80	2,296.80	2,947.55	162.50	20.25	2,638.40
Switching	20.00	6.75	4.50	18.88	4.66	258.50
Storage freight	30.28	18.67	45.37	400.00	503.00	52
Demurrage	533.00	829.00	405.00	264.00	162.00	151.00
Rent from freight cars and other property	478.60	464.34	354.00	264.00	162.00	155.00
Miscellaneous	106.21	37.91	112.88	98.36	162.48	42.29
Total	58,838.73	60,263.37	52,530.64	55,837.21	52,112.78	41,603.29
RAILWAY OPERATING EXPENSES						
Maintenance of way and structures	21,490.42	14,819.39	15,887.80	17,547.69	15,175.47	19,572.36
Maintenance of equipment	6,870.33	1,698.21	5,835.75	4,734.18	3,298.57	1,466.87
Traffic expenses	5,837.51	1,698.21	18,271.73	16,512.77	16,537.57	11,008.29
Transportation expenses	21,374.24	18,246.97	4,326.61	4,550.96	4,274.71	3,105.98
General expenses	4,938.59	4,014.90	4,336.87	4,356.17	39,003.16	36,614.95
Total	56,231.59	43,064.51	45,336.87	43,959.17	39,603.16	36,614.95

EXHIBIT 48

The New York, Chicago & St. Louis Railroad Co.—General balance sheet for the years ended December 31, 1926 to 1930, inclusive, and eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investments:						
Investment in road and equipment.....	\$202,121,473.60	\$208,318,146.84	\$218,919,151.51	\$232,457,471.18	\$236,519,268.25	\$227,624,673.27
Improvements on leased railway property.....	84,598.37	85,302.67	87,432.02	97,728.78	95,583.06	95,037.06
Sinking funds.....	240,447.99	127,188.17	127,300.67	108,981.74	110,931.29	95,322.50
Deposits in lieu of mortgaged property sold.....	16,044.35	58,925.26	81,121.62	100,332.66	100,332.66	704,022.72
Investments in physical property.....	759,584.92	754,075.35	849,821.16	842,335.13	1,024,395.07	1,080,741.54
Investments in affiliated companies—						
(a) Stocks.....	18,798,451.85	11,979,790.98	2,212,280.14	2,212,680.14	2,212,980.14	2,212,980.14
(b) Bonds.....	546,601.00	540,601.00	534,601.00	528,601.00	514,601.00	514,601.00
(c) Notes.....	140,000.00	315,000.00	1,040,200.00	2,285,900.00	1,846,728.33	6,834,885.44
(d) Advances.....	1,896.69	1,896.69	9,784,922.22	28,917,830.42	28,918,112.90	29,918,232.90
Other investments—						
(a) Bonds.....	14,800.00	800.00	2,800.00	700,940.00	680,940.00	940.00
(b) Notes.....	2,140.00	2,013.00	2,413.00	1,000.00	1,000.00	1,000.00
(c) Miscellaneous.....	222,725,968.77	222,092,741.96	233,644,065.34	290,365,516.05	278,647,745.11	281,062,415.19
Total investments.....	222,725,968.77	222,092,741.96	233,644,065.34	290,365,516.05	278,647,745.11	281,062,415.19
Current assets:						
Cash.....	6,337,243.95	5,642,384.26	5,240,935.17	4,041,706.00	2,648,027.40	2,847,957.40
Time drafts and deposits.....	1,826,410.71	1,575,553.71	1,631,352.71	2,105,232.16	20,793,418.00	1,663,244.69
Special deposits.....	1,826,410.71	2,594,446.00	2,594,446.00	2,593,865.27	2,593,865.27	2,593,865.27
Loans and bills receivable.....	1,486,506.72	1,118,976.88	1,262,600.85	960,026.69	822,112.82	444,287.66
Traffic and car-service balances receivable.....	504,406.88	505,446.13	592,183.10	675,911.15	549,045.85	464,679.33
Net balance receivable from agents and conductors.....	1,322,455.25	1,250,046.01	1,071,338.62	1,314,332.41	973,306.13	816,655.56
Miscellaneous accounts receivable.....	4,352,858.76	3,296,288.60	3,322,699.89	3,519,173.70	3,505,062.00	3,287,553.55
Interest and dividends receivable.....	408,334.11	35,745.93	401,978.72	899,249.45	692,012.62	933,470.96
Rents receivable.....	87,265.50	42,886.85	39,817.62	15,477.54	21,063.79	14,728.67
Other current assets.....	87,265.50	42,886.85	39,817.62	23,471.54	44,193.88	64,594.72
Total current assets.....	18,940,521.32	16,047,023.41	16,183,992.41	16,030,416.44	29,950,952.70	10,137,152.54

Deferred assets:						
Working fund advances.....	23,412.86	30,177.88	17,324.86	16,854.86	16,684.86	17,757.02
Insurance and other funds.....	6,198.00	6,198.00	6,198.00	6,198.00	6,198.00	6,198.00
Other deferred assets.....	39,898.36	46,663.36	33,620.36	33,340.36	119,968.29	120,519.42
Total deferred assets.....	69,409.22	83,039.24	57,143.22	56,242.82	142,851.15	144,474.42
Unadjusted debits:						
Rents and insurance premiums paid in advance.....	93,088.88	4,472,197.56	3,802,214.05	7,278.30	6,732.09	29,071.32
Discount on funded debt.....	4,472,197.56	3,427,804.06	3,802,214.05	5,763,925.55	2,344,577.58	15,263.30
Other unadjusted debits.....	116,488,126.00	116,489,490.00	115,199,790.00	115,155,610.00	112,444,040.00	112,444,040.00
Securities issued or assumed—						
Unpledged.....	11,851,000.00	11,806,000.00	11,799,000.00	11,713,000.00	11,186,000.00	11,232,000.00
Pledged.....	4,565,286.44	3,427,804.06	3,802,214.05	5,711,203.88	2,351,309.07	2,354,458.92
Total unadjusted debits.....	125,933,398.88	134,145,394.68	134,803,218.15	149,758,547.33	132,737,389.11	147,060,413.24
Total assets.....	248,271,694.89	241,614,232.79	253,694,092.16	291,140,476.73	312,106,000.77	293,574,546.07
Stock:						
Capital stock.....	63,088,675.00	63,042,710.00	69,747,810.00	69,762,290.00	69,764,160.00	69,795,660.00
Stock sold for conversion.....	131,100.00	125,700.00	125,700.00	107,400.00	105,100.00	35,100.00
Premium on capital stock.....	63,169,775.00	63,168,410.00	70,074,234.00	70,070,414.00	70,069,984.00	70,081,484.00
Total stock.....	126,389,550.00	126,336,820.00	140,947,744.00	140,932,704.00	140,939,244.00	140,912,244.00
Long-term debt:						
Funded debt unmortgaged.....	107,317,000.00	106,063,000.00	110,081,000.00	137,223,000.00	158,387,000.00	148,100,000.00
Non-mortgageable debt to affiliated companies: (B) Open accounts.....	107,317,000.00	109,363,000.00	118,681,000.00	137,223,000.00	8,265,558.08	7,065,500.00
Total long-term debt.....	214,634,000.00	215,426,000.00	228,762,000.00	274,446,000.00	166,652,558.08	155,165,500.00
Current liabilities:						
Loans and bills payable.....	2,005,357.91	1,553,957.76	1,817,324.97	2,500,000.00	2,050,108.61	5,000,000.00
Traffic and car-service balances payable.....	5,237,801.06	4,473,786.71	5,401,631.28	2,200,593.29	4,196,097.41	906,956.67
Mortgage accounts and wages payable.....	491,894.77	299,606.04	126,427.03	5,233,188.02	91,056.55	3,651,931.65
Interest matured unpaid.....	1,225,946.00	983,455.74	1,083,631.24	1,082,983.34	1,083,180.56	1,442,596.35
Dividends matured unpaid.....	5,000.00	6,000.00	7,000.00	5,000.00	9,309,500.00	123,000.00
Funded debt matured unpaid.....	1,029,056.27	1,029,397.88	1,156,853.66	1,481,684.20	2,019,011.41	1,611,767.03
Unmatured interest accrued.....	275,006.03	220,896.21	152,074.08	152,083.37	111,834.32	154,707.48
Other current liabilities.....	10,625,131.39	17,424,060.24	10,332,623.74	13,373,523.01	10,389,067.36	13,094,267.24
Total current liabilities.....	20,675,297.02	24,011,390.84	20,332,687.74	27,848,787.97	29,744,643.24	293,037.90
Deferred liabilities: Other deferred liabilities.....	660,696.58	462,443.44	700,997.96	699,788.37	297,146.63	293,037.90
Excluded from both assets and liabilities.....						

LOANS UNDER SECTION 210, TRANSPORTATION ACT, 1920

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
LIABILITIES—continued						
Unadjusted credits:						
Tax liability.....	2,774,778.00	2,678,400.00	2,797,643.68	4,309,394.03	2,584,272.91	2,494,955.71
Accrued depreciation.....	12,092,528.74	13,789,916.25	15,467,976.48	17,491,545.64	18,344,077.94	19,425,193.69
Other unadjusted credits.....	688,840.05	927,103.97	253,144.07	244,225.85	466,812.77	927,123.87
Total unadjusted credits.....	15,556,146.79	16,975,420.22	18,518,764.23	22,045,165.42	21,395,163.62	22,742,193.45
Corporate surplus:						
Funded debt retired through income and surplus.....	183,862.04	187,673.27	203,323.42	205,787.23	231,736.94	245,015.40
Total appropriated surplus.....	205,299.95	393,524.35	492,459.25	591,017.00	689,155.00	689,155.00
Profit and loss (credit balance).....	479,101.99	581,197.62	696,782.67	790,804.23	920,891.94	931,170.40
Total corporate surplus.....	48,331,083.14	33,636,622.27	34,690,688.06	46,981,781.70	33,381,189.14	31,386,926.08
Total liabilities.....	48,800,245.13	34,220,820.89	35,356,472.33	47,728,585.93	34,302,681.08	32,318,096.48
Total assets.....	246,271,694.89	241,614,232.79	253,664,092.16	291,140,476.73	312,109,000.77	293,574,546.07

1 Credit.

EXHIBIT 49

New York, Chicago & St. Louis Railroad Co.—Income account for the years ended December 31, 1926 to 1930, inclusive, and eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues.....	\$54,938,491.41	\$53,619,600.06	\$52,876,519.79	\$56,384,456.53	\$46,533,188.90	\$25,492,879.15
Railway operating expenses.....	39,940,395.24	38,374,494.34	37,866,536.14	39,896,885.26	35,111,786.17	19,348,845.35
Net revenue from railway operations.....	14,998,096.17	15,245,105.72	15,009,983.64	16,487,571.28	11,421,397.63	6,144,033.80

LOANS UNDER SECTION 210, TRANSPORTATION ACT, 1920

Railway tax accruals.....	2,998,864.23	2,710,955.41	2,981,123.80	3,055,396.96	2,567,618.26	1,781,411.72
Uncollectible railway revenue.....	10,176.53	4,162.56	8,565.07	5,025.45	11,974.21	5,283.12
Total operating income.....	11,839,055.41	12,320,987.75	12,020,554.77	13,428,145.87	8,941,795.16	4,347,388.96
Non-operating income:						
Rent from locomotives.....	75,593.98	64,189.09	63,434.06	85,540.46	66,835.52	23,150.38
Rent from passenger-train cars.....	25,517.85	25,438.13	25,438.52	31,316.03	31,601.53	19,683.66
Rent from work equipment.....	35,491.98	422,124.40	369,507.87	70,859.92	35,710.01	12,007.22
Joint facility rent income.....	314,877.62	21,279.13	3,914.37	367,427.64	312,892.27	294,327.94
Income from lease of road.....	12,010.96	129,416.72	119,112.55	125,557.14	146,354.07	196,998.80
Miscellaneous rent income.....	28,241.79	1,316,454.25	26,655.91	42,712.66	31,805.72	31,975.64
Dividend income.....	2,894,081.25	25,320.00	1,723,394.75	2,070,115.41	5,913,644.60	3,247,042.17
Income from funded securities.....	28,075.00	1,012,552.09	851,038.03	106,784.70	109,098.01	200,060.56
Income from unsecured securities and accounts.....	607,425.00	1,012,552.09	851,038.03	858,098.63	260,099.02	238,712.14
Income from sinking and other reserve funds.....	6,133.31	8,585.83	10,297.11	8,443.01	119,466.01	212.50
Miscellaneous income.....	4,027,249.37	3,080,345.51	3,230,706.06	3,710,841.75	7,122,555.91	6,583.46
Total non-operating income.....	15,966,304.76	15,410,333.26	15,251,260.83	17,138,987.62	15,964,051.07	8,553,699.32
Gross income.....	1,724,778.33	2,305,107.37	2,636,080.98	2,778,487.13	2,718,805.91	1,800,028.23
Deductions from gross income:						
Hire of freight cars (debit balance).....	20,981.97	18,922.40	6,140.41	10,253.83	2,718,805.91	1,800,028.23
Rent for locomotives.....	45,623.26	45,294.31	38,306.22	98,588.10	37,834.95	11,499.57
Rent from passenger-train cars.....	6,426.64	6,560.90	3,569.73	7,858.22	91,338.11	4,499.73
Joint facility rent expense.....	425,548.42	491,646.94	446,000.64	555,966.57	791,837.43	565,888.48
Rent for leased roads.....	100,199.19	107,292.33	1,456.87	3,903.65	258,331.15	144,467.40
Miscellaneous rent expense.....	4,269.48	13,494.07	106,677.80	100,561.74	9,121.98	7,764.53
Miscellaneous tax accruals.....	5,393,861.45	5,325,125.37	5,286,272.14	5,919,567.32	7,526,838.50	4,947,094.17
Interest on funded debt.....	98,832.63	399,611.88	496,210.37	171,178.14	76,880.45	98,092.57
Miscellaneous income charges.....	60,130.21	59,737.53	50,775.04	93,111.25	56,724.11	45,812.57
Total deductions from gross income.....	7,899,996.55	8,770,858.14	8,872,550.51	9,745,945.29	11,567,307.34	7,715,662.77
Net income.....	8,068,309.23	6,639,477.12	6,378,710.32	7,390,042.33	4,396,743.73	838,136.55
Disposition of net income:						
Paid to sinking and other reserve funds.....	98,086.20	98,224.40	98,934.90	99,557.75	98,138.00	-----
Dividend appropriations of income.....	4,897,235.25	4,540,539.25	4,084,045.50	4,185,294.00	-----	-----
Total appropriations of income.....	4,995,321.45	4,638,763.65	4,182,980.40	4,283,851.75	98,138.00	-----
Income balance, transferred to profit and loss.....	3,080,382.78	2,000,413.47	2,195,729.92	3,106,190.58	4,298,605.73	838,136.55

1 Credit.

EXHIBIT 50

New York, Chicago & St. Louis Railroad Co.—Railway operating revenues and expenses for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$51,140,009.46	\$50,031,353.44	\$49,346,205.29	\$52,250,805.60	\$42,720,002.41	\$23,500,431.92
Passenger.....	1,034,837.35	1,817,641.06	1,315,133.63	1,893,430.53	1,483,385.91	1,040,460.53
Excess baggage.....	12,855.05	10,695.04	10,062.05	9,550.28	9,466.64	4,142.53
Car and chair car.....	6,262.33	6,069.95	2,348.90	2,351.07	2,310.71	1,615.33
Express.....	228,246.85	220,842.18	238,975.71	440,379.08	373,149.05	224,041.56
Other passenger train.....	501,466.31	476,269.94	494,018.74	544,691.94	408,773.79	153,734.92
Milk.....	131,910.64	107,588.67	12,044.68	10,876.26	16,836.67	6,491.15
Switching.....	546,846.83	564,069.09	527,748.45	621,280.02	593,288.37	17,911.46
Special-service train.....	4,155.54	7,001.56	57,722.97	11,899.04	11,083.29	304,588.37
Total rail-line transportation revenue.....	54,527,031.03	53,265,021.12	52,549,682.20	55,971,687.28	46,167,114.30	23,264,735.09
Dining and buffet.....	62,554.13	61,971.09	64,969.64	87,936.55	94,980.28	55,479.71
Hotel and restaurant.....	4,688.79	4,328.33	4,682.04	4,550.38	4,412.51	48,470.10
Parcel room, and boat privileges.....	15,197.26	13,767.69	11,773.27	12,203.21	4,260.49	2,457.38
Storage, freight.....	1,385.51	1,212.00	1,137.26	1,274.96	70.30	10.10
Storage, baggage.....	225,998.73	172,022.00	151,896.00	210,982.00	9,580.73	4,856.09
Demurrage.....	4,948.08	4,377.34	4,219.17	4,141.47	149,014.42	69,471.90
Telegraph and telephone.....	6,867.26	7,778.11	8,255.05	7,866.59	3,571.52	1,776.90
Ten of buildings and other property.....	47,868.37	41,202.06	38,387.90	41,916.04	6,032.45	9,048.81
Miscellaneous.....	309,975.23	304,994.73	285,763.17	371,898.77	305,506.54	44,219.48
Total incidental operating revenues.....	41,923.25	47,945.46	41,384.84	43,006.25	61,122.23	30,602.36
Joint facility (credit).....	438.10	361.25	310.43	1,138.77	557.27	238.41
Joint facility (debit).....	41,485.15	47,584.21	41,074.41	41,870.48	60,564.96	30,395.95
Total joint-facility operating revenues.....	54,938,491.41	53,619,600.06	52,876,519.78	56,385,456.53	46,533,185.80	25,482,879.15
OPERATING EXPENSES						
Maintenance of way and structures.....	7,067,603.05	6,963,234.80	6,615,575.29	7,015,494.23	6,078,735.79	3,313,460.02
Maintenance of equipment.....	10,487,244.94	10,137,156.08	9,828,183.03	10,688,773.71	8,799,383.84	4,396,784.18
Traffic expenses.....	18,922,053.19	18,887,975.74	18,505,413.13	19,426,459.57	17,500,753.94	9,983,278.88
Transportation, rail-line.....	87,708.09	92,655.59	99,452.54	142,240.01	1,157,033.57	9,982,392.36
Miscellaneous.....	1,964,781.36	1,873,961.55	1,595,971.07	1,596,024.39	1,535,063.38	1,013,703.97
General expenses.....	276,935.25	286,465.17	289,359.65	289,359.65	204,418.26	94,460.54
Transportation for investment (credit).....	39,940,305.24	38,574,494.34	37,869,556.14	39,899,885.25	35,111,798.17	19,348,845.35
Total railway operating expenses.....	147,465,931.03	145,003,080.27	143,688,053.29	147,338,998.10	138,908,331.33	78,148,819.22

EXHIBIT 51

Virginia Blue Ridge Railway—Comparative general balance sheet for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	First 8 months ended Aug. 31, 1931
ASSETS						
Investment in road and equipment.....	\$538,763.10	\$538,763.10	\$538,763.10	\$539,333.96	\$552,280.04	\$553,606.18
Current assets:						
Cash.....	667.08	1,142.56	453.83	965.08	328.46	1,746.06
Accounts receivable from agents and conductors.....	1,169.54	1,165.74	1,012.25	1,012.25	2,165.37	1,746.06
Accounts receivable.....	987.65	1,065.50	1,288.88	1,504.18	1,609.37	1,461.39
Material and supplies.....	305.63	208.10	208.10	276.90	114.29	68.33
Total current assets.....	3,129.90	3,581.90	3,146.45	4,058.41	4,217.49	4,470.53
Deferred charges:						
Working fund advances.....	24.84	17.09	31.29	358.34	410.80	317.80
Other deferred assets.....	806.26	1,478.50	1,870.87	865.74	1,547.93	683.68
Total deferred assets.....	831.10	1,495.59	1,902.16	1,224.08	1,957.93	1,011.48
Unadjusted debits:						
Discount on capital stock.....	614.88	650.08	496.48	422.28	358.08	115,000.00
Discount on funded debt.....	614.88	650.08	496.48	422.28	358.08	315.28
Total unadjusted debits.....	1,229.76	1,300.16	992.96	844.56	716.16	433.28
Grand total.....	\$543,338.98	\$544,391.27	\$544,298.19	\$545,085.75	\$558,813.54	\$574,402.47
LIABILITIES						
Capital stock.....	180,000.00	180,000.00	180,000.00	180,000.00	180,000.00	300,000.00
Funded debt.....	235,000.00	235,000.00	225,000.00	228,000.00	228,000.00	225,000.00
Current liabilities:						
Accounts payable.....	60,800.88	60,890.88	60,890.88	64,972.36	64,972.36	64,972.36
Loans and bills payable.....	3,019.94	1,516.90	1,473.00	1,453.24	1,442.24	1,365.39
Traffic and car service balances payable.....	128,859.09	142,830.04	138,657.89	181,899.63	207,801.57	218,880.75
Audited accounts and wages payable.....	108,000.00	108,000.00	108,000.00	108,000.00	173,280.00	192,760.00
Interest matured unpaid.....	108,000.00	108,000.00	108,000.00	108,000.00	108,000.00	108,000.00
Funded debt matured unpaid.....	16,727.42	26,765.70	31,878.98	44,830.29	54,708.49	55,067.29
Unmatured interest accrued.....	440,642.83	480,643.52	515,660.76	562,615.52	612,174.66	638,735.69
Total current liabilities.....	668.79	1,410.60	1,299.35	1,744.84	1,633.66	1,336.00
Unadjusted credits:						
Tax liability.....	5,034.24	5,037.26	6,040.32	6,543.36	7,268.46	7,031.76
Accrued depreciation, equipment.....	5,701.03	6,947.88	7,299.67	8,288.20	8,990.04	8,967.76
Total unadjusted credits.....	1,318,004.89	1,388,200.13	1,383,632.23	1,430,897.99	1,467,291.16	1,468,408.47
Profit and loss—Debit.....	643,338.98	544,391.27	544,298.19	545,085.75	558,813.54	674,402.47
Grand total.....	\$543,338.98	\$544,391.27	\$544,298.19	\$545,085.75	\$558,813.54	\$574,402.47
Debit.....						

EXHIBIT 52

Virginia Blue Ridge Railway—Comparative income account for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	First 8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues.....	\$28,576.31	\$23,445.69	\$19,895.25	\$13,298.37	\$28,068.73	\$20,944.98
Railway operating expenses.....	25,267.43	27,266.02	24,292.99	24,421.83	26,068.71	27,568.38
Net revenue from railway operations.....	3,288.88	1,332.33	1,437.74	1,112.16	1,370.02	1,094.40
Railway tax accruals.....	2,107.08	2,400.00	2,311.62	2,306.25	1,633.64	1,336.00
Gross railway operating income.....	1,181.80	1,032.63	1,676.36	1,138.41	1,263.62	1,830.40
Deductions from gross income:						
Interest on freight cars—Debit balance.....	2,985.36	2,674.28	2,146.20	1,432.63	3,135.00	558.10
Interest on funded debt.....	780.00	780.00	780.00	780.00	780.00	780.00
Interest on unfunded debt.....	15,000.00	14,100.00	9,350.00	13,500.00	13,500.00	9,000.00
Amortization discount on funded debt.....	13,803.69	16,324.44	16,402.34	17,980.52	18,680.35	12,551.52
Total deductions from gross income.....	33,322.25	33,942.92	28,742.74	33,737.35	36,195.35	22,672.42
Income balance transferred to profit and loss.....	1,321.41	1,405.25	1,352.10	1,472.16	1,368.27	1,310.98
Debit.						

EXHIBIT 53

Virginia Blue Ridge Railway—Comparative statement of railway operating revenues and expenses for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	First 8 months ended Aug. 31, 1931
OPERATING REVENUES						
Freight.....	\$28,032.69	\$23,068.40	\$19,697.02	\$12,971.27	\$27,795.65	\$20,801.58
Passenger.....	14,134.34	14,134.34	14,134.34	14,134.34	14,134.34	14,134.34
Switching.....	8.00	16.48	183.60	7.60	19.60	7.80
Total rail-line transportation revenue.....	28,181.93	23,182.18	19,720.12	12,996.67	27,823.00	20,801.58
Storage.....	2.25	61.00	40.00	97.00	87.00	33.00
Demurrage.....	107.00	61.00	40.00	97.00	87.00	33.00
Traffic and telephones.....	122.41	108.00	58.00	88.80	58.00	58.00
Rents of buildings and other properties.....	133.00	108.00	58.00	88.80	58.00	58.00
Total incidental operating revenue.....	394.88	263.51	175.13	272.70	245.73	126.95
Total railway operating revenues.....	28,576.31	23,445.69	19,895.25	13,298.37	28,068.73	20,944.98
OPERATING EXPENSES						
Maintenance of ways and structures.....	7,938.99	10,788.48	10,553.64	9,830.09	13,464.03	8,250.62
Maintenance of equipment.....	2,123.52	1,791.66	1,750.17	3,700.54	1,498.33	2,022.30
Traffic expenses.....	535.49	557.94	597.26	466.00	612.52	554.07
Transportation, rail line.....	10,428.53	10,504.50	9,409.11	8,619.49	9,151.84	6,430.01
General expenses.....	4,269.90	3,655.44	1,973.81	1,795.81	2,001.99	10,682.38
Total railway operating expenses.....	25,267.43	27,266.02	24,292.99	24,421.83	26,068.71	27,568.38

EXHIBIT 54

Virginia Southern Railroad Co.—Comparative general balance sheet for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investment in road and equipment.....	\$156,212.89	\$156,212.89	\$156,212.89	\$156,372.80	\$156,372.80	\$156,372.80
Material and supplies.....	17.50	17.50	17.50	17.50	17.50	17.50
Total.....	157,288.05	157,288.05	156,230.39	156,390.39	156,390.39	156,390.39
LIABILITIES						
Capital stock.....	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
Funded debt.....	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00
Accrued interest.....	28,369.27	30,330.07	27,377.03	28,374.29	244.70	287.25
Miscellaneous accounts payable.....	4,500.00	9,000.00	18,000.00	33,457.49	27,000.00	28,987.46
Interest matured unpaid.....	8,200.00	8,200.00	8,200.00	8,200.00	8,200.00	8,200.00
Accrued depreciation—Equipment.....	15,757.29	9,177.32	2,311.59	13,881.43	112,541.80	31,781.91
Profit and loss debit balance.....						8,200.00
Total.....	157,288.05	157,288.05	156,230.39	156,390.39	156,390.39	156,390.39

1 Deficit.

EXHIBIT 55

Virginia Southern Railroad Co.—Comparative income account for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenue.....	\$8,789.90	\$8,200.39	\$8,688.53	\$7,013.21	\$4,684.01	\$1,966.50
Railway operating expenses.....	10,219.11	9,202.66	8,361.79	8,116.69	8,735.42	3,250.93
Net revenue from railway operations.....	1,429.21	1,002.27	1,167.26	1,896.48	1,4,031.41	1,1,284.43
Railway tax accrual.....	717.77	830.70	401.47	404.54	412.96	283.31
Total railway operating income.....	1,146.98	1,183.27	1,2,074.73	1,911.02	1,4,464.37	1,1,569.74
Hire of freight cars (debit balance).....	334.00	247.00	291.00	282.00	196.00	
Interest on funded debt.....	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00	3,000.00
Total deductions from gross income.....	4,834.00	4,747.00	4,791.00	4,782.00	4,696.00	3,000.00
Net income.....	1,5,980.98	1,6,578.97	1,6,865.73	1,5,933.02	1,9,160.37	1,4,569.74

1 Deficit.

EXHIBIT 56

Virginia Southern Railroad Co.—Railway operating revenues and expenses for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating revenues:						
Freight.....	\$8,608.14	\$7,108.39	\$6,183.40	\$5,994.80	\$4,500.31	\$1,928.35
Passenger.....	1,121.76	1,632.00	500.13	345.85	183.70	40.15
Mail.....				1,209.86		
Total rail-line transportation revenues.....	9,730.90	8,740.39	6,683.53	7,613.21	4,684.01	1,968.50
Operating expenses:						
Maintenance of way and structure.....	1,832.11	2,006.68	1,433.66	2,180.83	1,968.00	908.24
Maintenance of equipment.....	1,348.95	1,524.17	1,124.60	1,246.20	1,466.02	6.00
Transportation expenses.....	36.71	43.29	245.44	119.78		
Transportation line.....	5,424.78	4,446.52	4,143.09	4,304.88	3,819.40	1,405.50
General expenses.....	1,556.56	1,176.00	1,415.00	1,428.00	1,452.00	931.19
Total operating expenses.....	10,219.11	9,202.66	8,361.79	8,118.69	8,735.42	3,250.93

EXHIBIT 57

Waterloo, Cedar Rapids & Northern Railway Co.—Comparative general balance sheet for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investment:						
Road and equipment.....	\$9,467,101.91	\$9,467,683.38	\$9,656,233.90	\$9,809,130.73	\$9,843,299.75	\$9,863,040.04
Investment in stocks.....	1,400.00	1,060.00	1,660.00	4,190.00	4,190.00	6,960.00
Current assets:						
Cash.....	60,888.07	143,185.89	177,528.90	276,668.12	419,655.93	368,160.31
Miscellaneous accounts receivable.....	232,720.28	248,022.62	256,361.10	73,384.23	64,100.35	35,341.16
Material and supplies.....	112,924.39	127,025.99	134,460.71	150,154.80	133,549.08	124,555.34
Unadjusted credits:						
Prepaid insurance.....	2,136.07	1,633.62	3,474.63	4,177.27	2,846.75	4,125.73
Rents and insurance paid in advance.....	65,327.48	60,443.41	55,638.51	509,444.40	490,830.04	417,453.89
Discount on funded debt.....	4,668.89	5,978.90	6,306.37	5,427.61	6,642.61	8,153.85
Other unadjusted debits.....						
Total assets.....	10,532,277.09	10,595,755.52	10,787,097.37	10,827,077.16	10,925,173.57	10,827,550.23
LIABILITIES						
Capital stock.....	2,997,050.00	2,997,050.00	2,997,050.00	2,997,050.00	2,997,050.00	2,997,050.00
Funded debt.....	7,033,000.00	7,033,000.00	7,033,000.00	7,033,000.00	7,033,000.00	7,033,000.00
Loans and notes payable.....	124,304.88	146,811.00	165,526.72	186,314.30	204,155.68	214,353.57
Accounts and wages payable.....	151,841.22	159,283.35	185,177.52	228,257.51	277,914.30	130,000.00
Matured interest unpaid.....	2,235,934.27	2,645,994.66	3,057,212.30	3,464,141.89	3,873,385.80	4,079,735.80
Matured funded debt unpaid.....	286,975.00	286,875.00	286,875.00	286,875.00	286,875.00	286,875.00
Unadjusted credits:						
Tax liability.....	41,179.10	34,549.41	32,624.24	32,607.60	32,983.84	36,794.45
Operating reserves.....	3,000.00	3,000.00				
Accrued depreciation.....	124,304.88	146,811.00	165,526.72	186,314.30	204,155.68	214,353.57
Reserve for amortization franchise.....	6,298.15	7,013.39	7,732.63	8,449.87	9,167.11	9,645.27
Other unadjusted credits.....	4,875.82	3,767.40	3,411.60	4,084.12	4,297.18	4,376.02
Corporate surplus.....	12,964,891.35	13,325,645.38	13,595,680.59	13,929,503.03	14,289,405.34	14,544,496.51
Grand total liabilities.....	10,532,277.09	10,595,755.52	10,787,097.37	10,827,077.16	10,925,173.57	10,827,550.23
Debit.....						

EXHIBIT 58

Waterloo, Cedar Falls & Northern Railway Co.—Comparative income statement for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
From transportation:						
Passenger revenue.....	\$914,697.81	\$890,000.98	\$1,123,437.46	\$1,307,921.35	\$1,079,153.70	\$565,692.33
Freight revenue.....	755,064.39	834,008.96	882,682.37	1,041,782.99	901,112.21	520,556.06
Mail revenue.....						
Express revenue.....						
Milk revenue.....						
Light revenue.....						
Switching revenue.....						
Total transportation revenue.....	1,669,762.20	1,724,009.94	2,006,119.83	2,349,704.34	1,980,265.91	1,086,248.39
Net revenue.....	159,613.42	146,901.02	240,755.09	268,138.36	178,041.49	45,326.28
Taxes, railway operations.....	44,083.82	39,880.74	37,020.92	39,500.15	39,384.31	24,190.31
Total operating income.....	115,529.60	107,020.28	203,734.17	228,638.21	138,657.18	21,135.97
Non-operating income:						
Miscellaneous rent income.....	2,322.00	2,319.25	2,373.45	3,001.34	3,068.75	2,017.73
Dividend income.....	42.16				202.50	84.82
From unfunded securities and accounts.....	151.37	218.81	348.50	135.00	202.50	28.22
Miscellaneous income.....				94.56	1,100,922.74	55.44
Total non-operating income.....	2,515.53	2,538.06	2,721.95	3,230.90	1,97,566.67	2,101.39
Gross income.....	118,045.13	109,558.34	206,456.12	229,869.11	41,090.51	23,237.36
Deductions from gross income:						
Miscellaneous rents.....	85.00	105.00	85.00	95.00	85.00	90.00
Interest on funded debt.....	365,042.06	364,250.00	364,250.00	364,250.00	364,250.00	242,833.34
Interest on unfunded debt.....	50,704.49	46,704.49	47,502.55	47,815.71	47,411.53	31,621.98
Amortization discount on funded debt.....	50,004.36	50,004.36	50,004.36	50,004.36	50,004.36	33,396.44
Miscellaneous debits.....	11.47		15.07	15.46	50,244.50	161.69
Total deductions.....	481,712.72	461,245.85	462,247.06	462,270.53	462,065.69	306,103.55
Income balance transferred.....	1,363,647.59	1,351,687.51	1,255,790.96	1,222,401.42	1,420,985.18	1,284,866.19
Debit.....						

EXHIBIT 59

Waterloo, Cedar Falls & Northern Railway Co.—Comparative statement railway operating revenues and expenses for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
OPERATING REVENUES						
Revenue from transportation:						
Passenger revenue.....	\$458,361.07	\$425,555.93	\$405,094.09	\$430,906.80	\$328,178.91	\$167,564.07
Freight revenue.....	1,072.14	1,066.75	985.60	730.74	648.11	300.33
Mail revenue.....						
Express revenue.....	8,132.24	7,376.89	38.30	4,218.34	2,218.28	7,200.00
Milk revenue.....	2,491.59	2,698.27	6,984.21	4,276.75	5,446.50	2,486.52
Light revenue.....	393,437.18	463,969.25	2,577.82	1,251.86	896.10	366.24
Switching revenue.....	7,888.84	8,550.15	646,086.32	786,820.02	679,837.27	352,354.31
Total transportation revenue.....	870,883.06	989,007.24	1,074,792.09	22,912.91	17,230.12	9,499.95
From other operations:						
Station and car privileges.....	1,914.27	1,909.82	1,700.60	1,528.05	1,396.13	910.86
Street-car receipts.....	630.50	634.60	622.80	694.90	506.20	157.80
Demurrage.....	2,030.40	2,011.22	273.67	298.63	246.76	248.71
Rent of tracks and facilities.....	2,480.90	36.00	6,131.77	4,539.53	1,588.00	880.00
Rent of equipment.....	18,767.64	13,467.68	13,138.23	17,287.38	11,370.35	5,604.02
Rent of buildings and other property.....	1,897.50	1,788.12	1,787.50	1,787.50	1,787.50	1,050.00
Power.....	17,883.19	21,373.65	24,657.30	23,764.94	27,503.46	17,059.52
Miscellaneous.....						
Total from other operations.....	43,814.75	41,902.74	48,644.77	56,803.93	44,398.39	25,910.91
Total operating revenues.....	914,697.81	980,909.98	1,123,437.46	1,307,921.35	1,079,153.70	565,692.33
OPERATING EXPENSES						
Way and structures.....	99,715.78	116,069.04	127,790.63	165,491.19	149,076.76	77,450.46
Equipment.....	138,889.10	134,121.44	146,197.25	171,069.15	127,733.18	75,488.69
Power.....	227,028.28	235,044.94	247,808.24	272,292.62	213,745.92	137,856.59
Conducting transportation.....	21,321.14	24,298.07	28,497.27	26,301.10	29,439.06	19,823.52
Traffic.....	157,917.06	179,664.56	205,993.50	258,997.15	217,340.31	129,928.26
General and miscellaneous.....						
Total operating expenses.....	705,064.39	834,008.96	882,682.37	1,041,782.99	901,112.21	520,556.06

EXHIBIT 60

The Wichita Northwestern Railway Co.—Comparative general balance sheet (corporate and receivers) for years ended December 31, 1928 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
ASSETS						
Investments:						
Investment in road and equipment.....	\$2,660,074.02	\$2,474,479.84	\$2,660,980.51	\$2,665,394.79	\$2,662,027.08	\$2,662,062.08
Other investments—Stocks.....	25.00	25.00	25.00	25.00	25.00	25.00
Total investments.....	2,660,099.02	2,474,504.84	2,661,005.51	2,665,419.79	2,662,052.08	2,662,087.08
Current assets:						
Cash.....	15,047.58	5,100.82	10,930.68	21,855.70	27,294.65	45,682.71
Traffic and car-service balances receivable.....	5,214.33	6,039.02	9,087.77	19,532.88	16,828.00	51,324.24
Net balance receivable from agents and conductors.....	888.29	983.76	9,087.77	19,532.88	16,828.00	51,324.24
Miscellaneous accounts receivable.....	68,908.79	80,345.16	90,299.02	85,113.32	87,154.46	3,033.10
Material and supplies.....	26,331.83	28,792.09	20,541.61	19,840.53	19,399.15	14,879.39
Other current assets.....	247.18	10.12	.....	3.69	.....	5.77
Total current assets.....	116,608.02	121,270.97	140,616.30	145,141.00	152,148.53	228,588.46
Deferred assets: Working fund advances.....	200.00	250.00	250.00	250.00	1,050.00	1,400.00
Unadjusted debits: ¹						
Rents and insurance premiums paid in advance.....	40.74	765.30	95.04	48.22	36.26	260.48
Other unadjusted debits.....	17,910.09	9,398.43	13,683.86	45,279.88	27,076.91	28,918.79
Total unadjusted debits.....	17,951.43	10,163.73	13,788.90	45,328.10	27,040.65	29,179.27
Grand total.....	2,803,858.47	2,806,189.54	2,821,630.71	2,850,038.89	2,842,291.26	2,921,914.81
LIABILITIES						
Capital stock, book liability.....	1,600,000.00	1,600,000.00	1,600,000.00	1,600,000.00	1,600,000.00	1,600,000.00
Government grants in aid of construction.....	564,000.00	564,000.00	564,000.00	564,000.00	564,000.00	564,000.00
Long-term debt: ²						
Respondent's holdings included in \$600,000.....	381,750.00	381,750.00	381,750.00	381,750.00	381,750.00	381,750.00
Receiver's certificates.....	50,000.00	50,000.00	50,000.00	50,000.00	46,000.00	48,000.00
Total long-term debt.....	431,750.00	431,750.00	431,750.00	431,750.00	427,750.00	429,750.00

Current liabilities:	57,678.30	57,678.30	57,678.30	57,678.30	57,678.30	57,678.30
Loans and bills payable.....	2,218.17	2,218.17	2,218.17	2,218.17	2,218.17	2,218.17
Traffic and car-service balances payable.....	136,275.26	136,275.26	136,275.26	136,275.26	136,275.26	136,275.26
Audited accounts and wages payable.....	14,507.28	15,731.72	13,401.60	14,507.28	15,731.72	13,401.60
Miscellaneous accounts payable.....	79,756.12	100,801.12	111,113.62	140,971.12	153,948.62	178,328.61
Interest matured unpaid.....	.....	.....	.....	.....	.....	.....
Funded debt matured unpaid.....	.....	.....	.....	.....	.....	.....
Unmatured interest accrued.....	2,158.75	2,518.75	15,111.25	5,158.75	15,080.25	381,750.00
Unmatured interest accrued.....	14.15	1.64	403.34	407.43	412.26	347.55
Other current liabilities.....	.....	.....	.....	.....	.....	.....
Total current liabilities.....	273,343.36	309,847.70	330,535.25	369,610.26	381,618.25	529,249.68
Unadjusted credits:						
Tax liability.....	72,068.15	83,615.85	92,491.78	101,981.72	108,686.83	113,486.83
Accumulated depreciation—						
Road.....	1,570.14	2,298.35	3,844.59	3,762.28	4,377.28	5,002.59
Equipment.....	16,104.05	17,000.72	24,185.39	21,231.24	15,401.41	14,599.94
Other unadjusted credits.....	13,704.60	14,005.71	14,101.33	22,684.09	15,928.22	13,153.45
Total unadjusted credits.....	104,055.94	116,922.63	131,620.04	149,079.33	142,391.74	146,242.81
Corporate surplus, profit and loss.....	265,290.83	2,806,189.54	2,821,630.71	2,850,038.89	2,842,291.26	2,921,914.81
Grand total.....	2,803,858.47	2,806,189.54	2,821,630.71	2,850,038.89	2,842,291.26	2,921,914.81

¹ Securities issued or assumed, pledged, \$600,000.

² Total book liability at close of year, \$981,750.

³ Debit.

EXHIBIT 61

The Wichita Northwestern Railway Co.—Comparative income account (corporate and receivers) for years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Operating income:						
Railway operating revenues.....	\$171,896.16	\$138,041.97	\$173,082.90	\$187,966.97	\$154,810.14	\$121,661.72
Railway operating expenses.....	130,808.33	135,470.62	159,623.62	165,864.69	135,313.65	95,875.69
Net revenue from railway operations.....	41,087.83	2,571.35	13,459.28	22,102.28	19,496.49	35,786.03
Railway tax accruals.....	10,363.58	10,947.01	8,845.35	9,485.24	6,781.11	4,860.00
Uncollectible railway revenues.....	8.79	.83	47.71	9.98	28.10	.....
Railway operating income.....	30,714.21	1,624.13	4,555.64	12,622.36	12,743.28	30,926.03
Non-operating income:						
Rent from locomotives.....	1,200.00	720.00	1,010.00	1,140.00	.....	.....
Rent from work equipment.....	.....	.....	2,000.00	3,031.80	3,105.46	2,072.84
Income from lease of road.....	.....	.....	.....	.....	14.24	.....
Miscellaneous rent income.....	440.00	492.07	461.00	529.00	557.40	443.70
Income from unfunded securities and accounts.....	.....	.....	6.11	.....	58.33	28.50
Miscellaneous income.....	.....	.....	.....	.....	47.23	11.71
Total non-operating income.....	1,700.00	1,212.07	3,566.00	4,700.80	3,768.41	2,568.90
Gross income.....	32,424.21	17,836.11	8,101.64	17,393.16	16,511.69	33,555.02
Deductions from gross income:						
Hire of freight cars—Debit balance.....	7,332.34	6,328.56	6,264.13	3,027.23	9,978.93	4,843.43
Rent for work equipment.....	600.00	1,450.00	1,753.90	1,596.27	770.10	582.43
Miscellaneous rents.....	.....	.....	.....	.....	.....	.....
Interest on funded debt.....	25,905.00	25,905.00	25,905.00	25,905.00	25,980.00	17,195.00
Interest on unfunded debt.....	.....	275.48	169.07	83.96	2.06	6.71
Total deductions from gross income.....	33,843.08	33,959.04	34,097.10	30,550.46	36,676.18	22,627.57
Net income balance transferred to profit and loss.....	1,410.87	1,412.15	1,259.55	1,132.70	1,204.49	10,927.45

1 Debit.

EXHIBIT 62

The Wichita Northwestern Railway Co.—Railway operating revenues (corporate and receiver's) for the years ended December 31, 1926 to 1930, inclusive, and for eight months ended August 31, 1931

	1926	1927	1928	1929	1930	8 months ended Aug. 31, 1931
Railway operating revenues:						
Freight.....	\$102,555.38	\$128,016.25	\$164,367.21	\$175,001.34	\$144,528.41	\$117,490.17
Passenger.....	2,344.00	1,575.40	1,494.20	982.23	512.00	277.58
Express.....	3,569.88	3,628.18	3,871.85	78.01	77.95	25.00
Mail.....	1,627.19	1,372.98	1,431.93	9,716.83	4,171.31	2,741.40
Switching.....	1,321.00	1,917.00	1,483.50	1,315.87	828.24	396.38
Special service train.....	112.50	.....	.....	241.00	2,401.25	396.30
Total railway operating revenue.....	171,325.89	137,420.66	172,608.25	187,335.34	152,010.16	121,334.83
Incidental operating revenues:						
Storage.....	51.28	77.32	86.74	20.71	20.77	20.56
Demurrage.....	145.00	176.00	157.00	212.00	385.00	68.00
Rents of buildings and other property.....	867.00	867.99	214.05	312.00	245.00	245.00
Miscellaneous.....	6.00	.....	16.01	31.00	1,417.22	1.00
Total incidental operating revenues.....	570.27	621.31	474.65	631.63	2,100.98	334.89
Total railway operating revenues.....	171,896.16	138,041.97	173,082.90	187,966.97	154,810.14	121,661.72

EXHIBIT 63

Wilmington, Brunswick & Southern Railroad Co.—Comparative balance sheet for years ended December 31, 1926 to 1930, inclusive

	1926	1927	1928	1929	1930
ASSETS					
Investments:					
Investment in road and equipment.....	\$504,548.51	\$520,048.18	\$520,754.88	\$521,220.43	\$487,891.62
Other investments, bonds.....	6,000.00				
Total investments.....	510,548.51	520,048.18	520,754.88	521,220.43	487,891.62
Current assets:					
Cash.....	1,489.55	11,871.32	4,762.12	4,107.45	1,281.67
Loans and bills received.....	562.21	462.21	462.21	462.21	462.21
Traffic and car service balances received.....	4,813.82	1,897.57	3,372.68	4,514.91	2,421.35
Net balances received from agents and conductors.....	4,074.90	5,583.19	6,903.68	3,195.39	3,066.00
Miscellaneous accounts received.....	7,990.69	8,064.35	6,870.39	6,712.00	6,843.87
Material and supplies.....	1,940.00	1,940.00	1,940.00	1,940.00	1,940.00
Total current assets.....	20,871.17	29,818.64	24,311.08	20,931.96	16,035.10
Unadjusted debits: Rents and insurance paid in advance.....	590.00	590.00	590.00	590.00	590.00
Grand total.....	532,009.68	550,456.82	545,655.96	542,742.39	504,516.72
LIABILITIES					
Stock: Capital stock.....	165,000.00	165,000.00	165,000.00	165,000.00	165,000.00
Long-term debt:					
Funded debt unmatured.....	183,750.00	183,750.00	183,750.00	183,750.00	183,750.00
Nonnegotiable debt to affiliated companies—(A) notes.....	38,344.00	45,344.00	42,314.17	40,714.17	40,714.17
Total long-term debt.....	222,094.00	229,094.00	226,064.17	224,464.17	224,464.17
Current liabilities:					
Loans and bills payable.....	81,812.50	76,812.50	76,812.50	76,812.50	76,062.50
Traffic and car service, balance payable.....	2,042.42	6,068.01	3,146.68	2,413.87	
Audited accounts and wages payable.....	20,662.31	23,554.63	29,547.91	28,724.76	31,045.07
Miscellaneous accounts payable.....	2,770.71	628.73	408.61	355.61	484.22
Interest matured unpaid.....	87,993.43	92,578.63	106,538.83	111,226.33	145,647.14
Unmatured interest accrued.....	22,480.22	29,621.60	27,425.48	34,440.81	17,164.08
Total current liabilities.....	217,791.59	229,264.10	243,877.01	253,973.88	270,403.01
Unadjusted credits:					
Tax liability.....	1,640.63	2,475.48	2,439.68	2,360.58	2,661.69
Accrued depreciation, road.....	17,325.60	17,325.60	17,325.60	17,325.60	17,325.60
Accrued depreciation, equipment.....	27,422.23	31,236.91	35,051.59	38,866.27	11,613.74
Other unadjusted credits.....	208.00				
Total unadjusted credits.....	46,596.46	51,037.99	54,816.87	58,552.45	31,601.03
Additions to property through income and surplus.....	13,862.50	13,862.50	13,862.50	13,862.50	13,862.50
Profit and loss debit balance.....	119,472.37	1137,801.77	1157,964.59	1173,110.61	1200,813.99
Total corporate surplus.....	119,472.37	1123,939.27	1144,102.09	1159,248.11	1186,951.49
Grand total.....	532,009.68	550,456.82	545,655.96	542,742.39	504,516.72

¹ Debit.

EXHIBIT 64

Wilmington, Brunswick & Southern Railroad Co.—Comparative income accounts, for years ended December 31, 1926 to 1930, inclusive

	1926	1927	1928	1929	1930
Operating income:					
Railway operating revenue.....	\$44,114.43	\$46,746.50	\$49,826.95	\$47,403.53	\$35,964.05
Railway operating expenses.....	41,790.39	38,852.42	43,472.24	37,511.02	35,923.63
Net revenue from railway operations.....	2,324.04	7,894.08	6,354.71	9,892.51	60.42
Railway tax accruals.....	1,920.00	2,820.00	2,820.00	2,820.00	2,820.00
Total operating income.....	404.04	5,074.08	3,534.71	7,072.51	¹ 2,759.58
Non-operating operating income: Dividend income.....	300.00	275.00			
Gross income.....	704.04	5,349.08	3,534.71	7,072.51	¹ 2,759.58
Deductions from gross income:					
Hire of freight cars (debit balance).....	3,973.69	4,875.00	5,542.35	4,282.61	2,744.40
Rent of locomotives.....			250.62		
Miscellaneous rents.....	187.56	529.66	551.84	771.84	716.84
Interest on funded debt.....	12,604.08	12,604.08	12,604.08	12,604.08	12,604.08
Interest on unfunded debt.....	4,860.00	5,072.26	4,748.64	4,560.00	4,560.00
Total deductions from gross income.....	21,625.33	23,081.00	23,697.53	22,218.53	20,625.32
Net income balance transferred to profit and loss.....	¹ 20,921.29	¹ 17,731.92	¹ 20,162.82	¹ 15,146.02	¹ 23,384.90

¹ Debit.

EXHIBIT 64

Wilmington, Brunswick & Southern Railroad Co.—Railway operating revenues and expenses for years ended December 31, 1926 to 1930, inclusive

	1926	1927	1928	1929	1930
OPERATING REVENUES					
Freight.....	\$33,286.78	\$38,599.15	\$41,620.71	\$33,598.89	\$25,036.86
Passenger.....	3,620.65	1,718.70	1,247.47	999.71	1,577.53
Excess baggage.....	51.42	1.38	30	3.00	
Mail.....	1,887.50	1,887.50	2,516.70	8,234.57	3,905.61
Express.....	3,541.71	2,710.64	2,945.99	3,143.56	4,321.50
Total rail-line transportation revenues.....	42,388.06	44,917.37	48,331.17	45,979.73	34,841.50
Storage, freight.....	50.75	7.90		6.34	
Demurrage.....	344.00	425.25	254.00	320.00	93.00
Telegraph and telephone.....	1,196.22	1,026.50	1,218.43	969.56	949.88
Miscellaneous.....	135.40	369.48	23.35	127.90	99.67
Total incidental revenues.....	1,726.37	1,829.13	1,495.78	1,423.80	1,142.55
Total railway operating revenues.....	44,114.43	46,746.50	49,826.95	47,403.53	35,984.05
OPERATING EXPENSES					
Maintenance of way and structures.....	10,344.02	9,492.35	13,292.99	7,456.49	8,225.01
Maintenance of equipment.....	9,027.60	7,250.48	7,490.87	7,113.83	5,917.29
Traffic expense.....	1,042.82	1,277.24	1,421.38	1,183.15	1,027.23
Transportation, rail line.....	17,387.93	16,428.44	16,475.38	14,715.90	16,343.90
General expenses.....	3,988.02	4,408.91	4,701.62	7,041.65	4,410.20
Total railway operating expenses.....	41,790.39	38,852.42	43,472.24	37,511.02	35,923.63

EXHIBIT 66

IN THE SUPREME COURT OF THE UNITED STATES

October term, 1929

United States, petitioner, *v.* Guaranty Trust Co. of New York, et al.
No. 402. On certiorari to the United States Circuit Court of Appeals for the Eighth Circuit.

[February 24, 1930]

Mr. Justice Brandeis delivered the opinion of the court.

On July 26, 1923, the Federal Court for Minnesota appointed a receiver of The Minneapolis & St. Louis Railroad upon a creditor's bill, which was later consolidated with suits to foreclose its mortgages. The usual order issued for proof of claims. The United States presented four claims arising under Title II of transportation act, 1920, February 28. (Ch. 91, 41 Stat. 456, 457-469.) As to each claim it asserted that, by section 3466 of the Revised Statutes (U. S. C. title 31, sec. 191), it was entitled to preference and priority over the claims of all other creditors, secured or unsecured. Opposing creditors conceded that the railroad was insolvent within the meaning of section 3466. (*United States v. Butterworth-Judson Corporation*, 269 U. S. 504.) The insistence that the United States did not have priority was rested, among other grounds, upon the origin and character of its claims. The master and the district court denied the United States priority over any creditor. The circuit court of appeals affirmed that decree, but limited its decision to a denial of priority over secured creditors and those whose claims were preferred by local law or by the rule of *Fosdick v. Schall* (99 U. S. 235). It did not consider the relation of the Government's claims to those of general creditors, because it concluded that the estate would not realize more than enough to satisfy the secured and preferred creditors and because general creditors were not parties to the appeal. (33 F. (2d) 533.) A writ of certiorari was granted. (280 U. S. —.)

Title II of transportation act, 1920, comprising sections 200 through 211, is headed "Termination of Federal Control." Section 207 (pp. 462-3), provides that the "indebtedness of each carrier to the United States, which may exist at the termination of Federal control, incurred for additions and betterments made during Federal control and properly chargeable to capital account * * * shall, at the request of the carrier, be funded for a period of 10 years from the termination of Federal control, or a shorter period at the option of the carrier"; and also that any other then existing indebtedness to the United States should be evidenced by notes payable in one year from the termination of Federal control, or less at the option of the carrier. For both classes of debts, the carrier is to pay interest at the rate of 6 per cent per annum and, in the discretion of the President, to give such security as he may require.¹ Two of the

¹ See Report of Director General for the period Dec. 31, 1921, 67th Cong., 2d sess., H. R. Doc. 180, p. 12: "The total amount expended by the Railroad Administration for such additions and betterments aggregates \$1,144,681,582.39. The transportation act of 1920 in section 207, anticipated that the carriers might not be able to pay out of the compensation and other sums due them from the Government all the sums due the Government on account of capital expenditure, and therefore provided that only so much of the indebtedness due from the United States to the carriers should be offset by the indebtedness due the United States from the carriers 'as deemed wise by the President,' and further provided that any funding obtained by the carriers should be granted only upon their giving security in such form and upon such terms as the President may prescribe * * *."

claims of the United States here in question are based on promissory notes made pursuant to this section. Each of the two notes is in the amount of \$625,000. One is dated May 27, 1922, and is due March 1, 1930, 10 years after termination of Federal control; the other is dated April 1, 1923, and is payable on demand. Each bears interest at 6 per cent, payable semiannually, and is secured by a deposit of the company's series A 50-year refunding and extension mortgage bonds, dated January 1, 1912.

The third claim arose under section 209. That section (at p. 466) authorizes the Secretary of the Treasury, upon certification by the Interstate Commerce Commission, to advance to any carrier, on account of the guaranty of operating income there provided for the six months following the termination of Federal control, sums "necessary to enable it to meet its fixed charges and operating expenses"—the advances to be "secured in such manner as the Secretary may determine;" and provides for repayment by the carrier of any amount proved to have been paid in excess of the guaranty. Compare *Great Northern Ry. v. United States*, 277 U. S. 172. The amount claimed by the United States under this section is \$292,022.23, which sum the Interstate Commerce Commission certified had been advanced in excess of the guaranteed amount. See *Guaranty Settlement With Minneapolis & St. Louis R. R.*, 86 I. C. C. 691.

The fourth claim arose under section 210, (p. 468). "For the purpose of enabling carriers * * * properly to serve the public during the transition period immediately following the termination of Federal control," that section, as amended by act of June 5, 1920, c. 235, sec. 5, 41 Stat. 874, 946, authorizes loans by the Government to carriers, if a loan is required by a carrier "to meet its maturing indebtedness, or to provide itself with equipment or other additions and betterments." The loans are to be made only on security; for a period not in excess of 15 years; and if application therefor is made to the Interstate Commerce Commission within two years from the termination of Federal control. And no loan can be made, unless the commission first finds and certifies that the loan is necessary to enable the applicant to meet the transportation needs of the public; "that the prospective earning power of the applicant and the character and value of the security offered are such as to furnish reasonable assurance of the applicant's ability to repay the loan within the time fixed therefor, and to meet its other obligations in connection with such loan * * * and that the applicant * * * is unable to provide itself with the funds necessary for the aforesaid purposes from other sources." The claim under this section is on a promissory note for \$1,382,000 dated April 1, 1921, which was given in consideration of a loan of that amount, made to enable the company to pay a maturing issue of its outstanding mortgage bonds. The note is payable in 10 years, with interest semiannually at the rate of 6 per cent, and is secured by a deposit of the company's series A, 50-year refunding and extension mortgage bonds, dated January 1, 1912. See *Loan to Minneapolis & St. Louis R. R.*, 67 I. C. C. 321, 323; *Bonds of Minneapolis & St. Louis R. R.*, *ibid.*, 362.

The alleged priority of the United States under section 3466 over mortgages and over unsecured claims preferred by local law (compare *Spokane County v. United States*, 279 U. S. 80) or by the rule of *Fosdick v. Schall*, *supra*, was discussed in the lower courts and was

argued by counsel before this court. But we have no occasion to consider these questions. For, we are of opinion that it was the purpose of Congress that section 3466 should not apply to any indebtedness of the railroads to the United States arising under sections 207, 209 or 210 of transportation act, 1920.

During Federal control, the Government had been obliged to provide most of the new capital required for equipment, improvements and extensions,² and some of the funds needed to meet current interest and dividend payments.³ The Federal control act, March 21, 1918, c. 25, sec. 6, 40 Stat. 451, 455, appropriated \$500,000,000 "to be used by the President as a revolving fund for the purpose," among other things, of providing "terminals, motive power, cars, and other necessary equipment." The act of June 30, 1919, c. 5, 41 Stat. 34, appropriated \$750,000,000 more. The transportation act, 1920, sections 202 and 210, made a similar provision in appropriating for the purposes of Title II, \$500,000,000, in addition to the sums otherwise available and in addition to the general appropriations made in sections 204 (g) and 209 (g), (h) and (i).

These appropriations were made in order to meet a pressing need. At the time of the passage of transportation act, 1920, most of the railroads of the United States lacked funds for necessary improvements, equipment, and expansion of facilities. Some of the carriers needed funds, also, to meet maturing obligations. The credit of many carriers was seriously impaired. There was a general reluctance among investors to purchase new railroad securities even of the strongest railroads. Congress deemed it important to preserve for the Nation substantially the whole existing transportation system. Compare *New England Divisions case*, 261 U. S. 184, 190. In order to accomplish this, it was thought necessary that the United States should, to a certain extent, finance the carriers until it would become possible to restore their credit, by increase of rates or otherwise. The provisions of Title II of transportation act, 1920, were framed to that end. Through them, the financial aid which had been given during Federal control was to be extended for a further period.

To have given priority to debts due the United States pursuant to Title II, would have defeated the purpose of Congress. It not only would have prevented the reestablishment of railroad credit among bankers and investors, but it would even have seriously impaired the market value of outstanding railroad securities. It would have deprived the carriers of the credit commonly enjoyed from suppliers and others; would have seriously embarrassed the carriers in their daily operations; and would have made necessary a great enlargement of their working capital. The provision for loans under section 210 would have been frustrated. For, carriers could ill

² See note 1, supra. Of the amount expended for these purposes during Federal control only \$140,000,000, approximately, was paid through funds raised by the companies. Report of the director general to the President for 14 months ended Mar. 1, 1920 (revised edition, 1921), p. 31.

³ Mainly for this purpose, the director general advanced to the carriers between the commencement of Federal control and Aug. 1, 1918, \$203,714,050. Report of the director general for period ending July 31, 1918, pp. 23-24. In the statement of the President accompanying his proclamation of Dec. 26, 1917, on taking possession of the railroads, he had stated: "... the financial interests of the Government and the financial interests of the railroads must be brought under a common direction. Investors in railway securities may rest assured that their rights and interests will be as scrupulously looked after by the Government as they could be by the directors of the several railway systems." U. S. R. R. Administration Bulletin No. 4 (Revised 1919), p. 10. See also report of Senate committee, Nov. 10, 1919, No. 304, 66th Cong., 1st sess., pp. 3-12; report of House committee, Nov. 10, 1919, No. 456, 66th Cong., 1st sess., pp. 12-13; Walker D. Hines, "War History of American Railroads," pp. 120-140.

afford voluntarily to contract new debts thereunder which would displace, pro tanto, their existing bonded indebtedness. The entire spirit of the act makes clear the purpose that the rule leading to such consequences should not be applied.

Moreover, Congress evidenced unmistakably its purpose to rely, for obtaining payment of the Government's advances, upon means other than the priority provided for by section 3466. Under all of the sections, the giving of adequate security was either required or left to the discretion of the President. Under section 210 no advance could be made, unless the Interstate Commerce Commission was satisfied that the earning power of the carrier and the security given furnished reasonable assurance that the loan would be repaid and all obligations in connection therewith would be performed.⁴ The interest rate required is much greater than that which ordinarily accompanies even a business loan carrying such assurance of repayment as would have resulted from an application of the priority rule. Thus, both the general purposes of Title II and its specific provisions make it clear that Congress intended to exclude the indebtedness so arising from the scope of section 3466 of the Revised Statutes, just as under the Federal control act it had excluded therefrom claims incident to current operation of the railroads. *Mellon v. Michigan Trust Co.*, 271 U. S. 236, 240.

Affirmed.

A true copy.

Test:

Clerk, Supreme Court, United States.

⁴ In some instances the commission has authorized security which expressly provided only deferred liens. *Loan to Chicago, Rock Island & Pacific Ry.*, 67 I. C. C. 669; *Loan to Minneapolis & St. Louis R. R.*, *ibid.* 580; *Equipment Notes of Minneapolis & St. Louis R. R.*, 70 I. C. C. 67.

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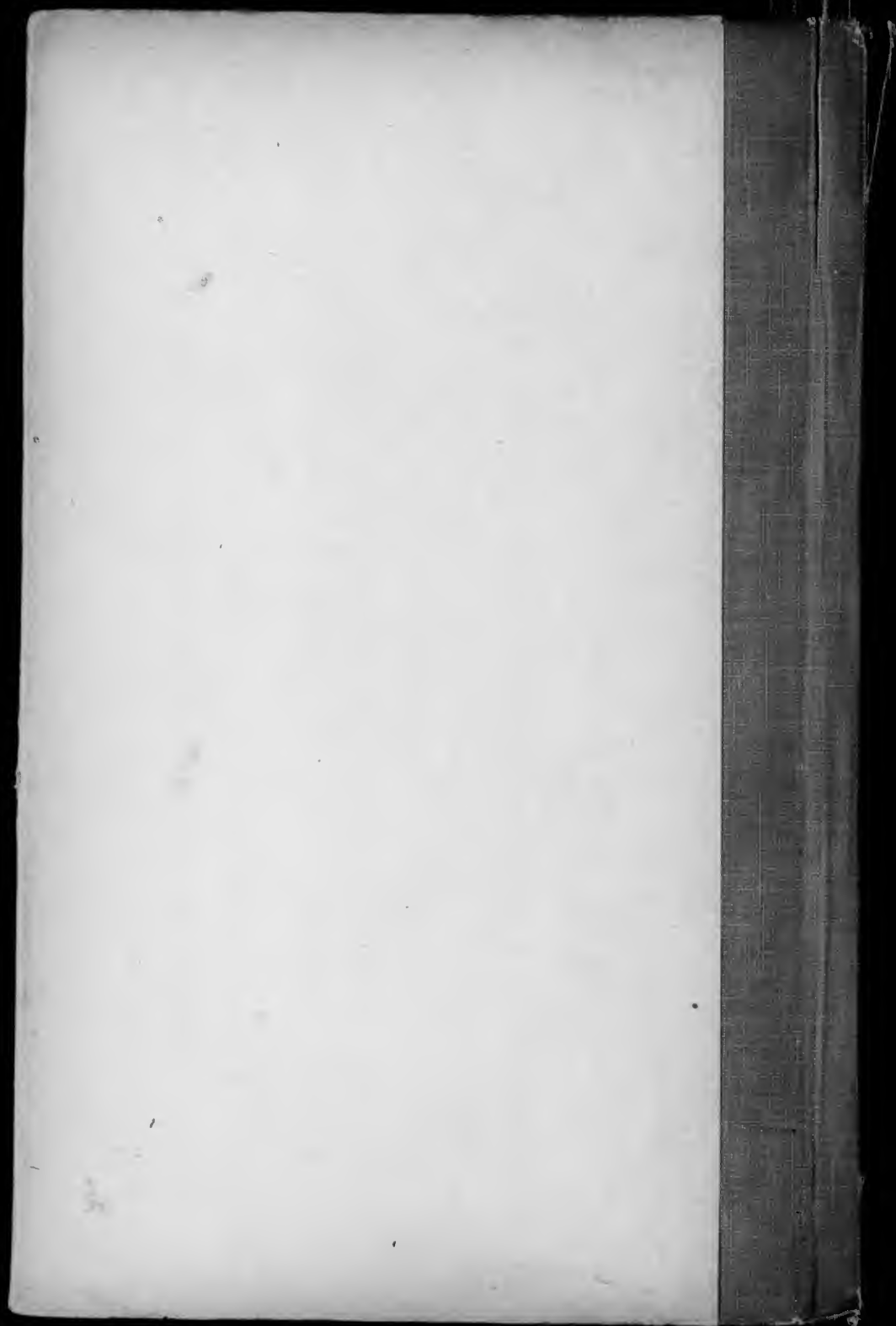
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